S. HRG. 99-490

RISO, FITZPATRICK, DUVALL, RICHARDS, AND WALKER NOMINATIONS

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

ON THE

NOMINATIONS OF GERALD RALPH RISO TO BE ASSISTANT SECRETARY, POLICY, BUDGET AND ADMINISTRATION, DEPARTMENT OF THE INTERIOR; DONNA R. FITZPATRICK TO BE ASSISTANT SECRETARY, CONSERVATION AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY; C. DALE DUVALL TO BE COMMISSIONER OF RECLAMATION, DEPARTMENT OF THE INTERIOR; JAMES R. RICHARDS TO BE INSPECTOR GENERAL, DEPARTMENT OF THE INTERIOR; AND MARY L. WALKER TO BE ASSISTANT SECRETARY, ENVIRONMENT, SAFETY AND HEALTH, DEPARTMENT OF ENERGY

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RISO, FITZPATRICK, DUVALL, RICHARDS, AND WALKER NOMINATIONS

THURSDAY, DECEMBER 12, 1985

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The committee met, pursuant to notice, at 9:35 a.m., in room SD-366, Dirksen Senate Office Building, Hon. Daniel J. Evans presiding.

Present: Senators Evans, Wallop, Warner, Murkowski, Hecht, Ford, and Metzenbaum.

Also present: Gary G. Ellsworth, chief counsel; E. David Doane, senior counsel; D. Michael Harvey, chief counsel for the minority; and Patricia Beneke, counsel for the minority.

OPENING STATEMENT OF HON. DANIEL J. EVANS, A U.S. SENATOR FROM THE STATE OF WASHINGTON

Senator EVANS. This nomination hearing will please come to order.

I first bring greetings from the chairman, who has been called to a conference committee on the continuing resolution, and I think that is pretty close to the Lord's work, considering where we are in the session right now, and I am pleased to chair the committee in his place.

Today we will receive testimony from five Presidential nominations, Gerald Ralph Riso, to be Assistant Secretary of the Interior for Policy, Budget, and Administration; Donna R. Fitzpatrick, to be Assistant Secretary of Energy for Conservation and Renewable Energy; C. Dale Duvall, to be Commissioner of Reclamation; James R. Richards, to be Inspector General, Department of the Interior; and Mary L. Walker, to be Assistant Secretary of Energy for Environment, Safety, and Health.

Our first nominee is Gerald Ralph Riso. Mr. Riso has worked in the Department of the Interior's Office of Policy, Budget, and Administration for the past 6 months. Most of Mr. Riso's career has been in management consulting. He was a vice president with Booz, Allen and Hamilton, a partner of Touche Ross and Co., and most recently a vice president with Korn/Ferry International.

Mr. Riso has also held several senior management positions within the Federal Government as Deputy Assistant Secretary for Health and Scientific Affairs of the Department of Health, Education, and Welfare, and Deputy Commissioner of the Immigration and Naturalization Service of the Department of Justice.

[Whereupon, Gerald Ralph Riso was duly sworn by Senator Evans.]

Senator EVANS. Thank you. Please be seated, and before you begin your statement, there are four questions addressed to witnesses before this committee who are nominated for positions, and I would like to ask these questions of you. First, will you be available to appear before this committee and other congressional committees to represent departmental positions and respond to issues of concern to the Congress?

Mr. RISO. Yes, I would.

Senator EVANS. Your informational statement has been submitted to the committee. However, it is required that this statement be made public unless the committee decides that special circumstances justify an exception. Do you have any objection to the publication of your informal statement?

Mr. RISO. No, I do not.

Senator EVANS. Are you aware of any personal holdings, investments, or interest which could constitute a conflict of interest or create the appearance of such a conflict should you be confirmed and assume the office to which you have been nominated by the President?

Mr. RISO. No, sir.

Senator EVANS. Are you involved or do you have any assets held in blind trusts?

Mr. RISO. No, I do not.

Senator EVANS. Thank you. Mr. Riso, we would be delighted to have you make whatever statement you would like to make or to summarize that statement this morning. Your entire statement will be included automatically in the record.

STATEMENT OF GERALD RALPH RISO, NOMINEE TO BE ASSISTANT SECRETARY, POLICY, BUDGET AND ADMINISTRATION, DEPARTMENT OF THE INTERIOR

Mr. RISO. I would like to highlight the important parts of that statement. My perception of the responsibilities of the Assistant Secretary fall into four areas: first, managing the budget preparation, presentation, and administration process within Interior; second, promoting improved management both at the Office of the Secretary level and within the operating bureaus; third, overseeing the policy analysis process; and finally providing to the bureaus and to the entire Department an array of administrative services such as personnel, data processing, procurement, and financial management.

I am by training and experience a professional manager with analytical skills. I have served, as my statement indicates, as both a consultant to senior management in the public and private sector as well as had senior executive positions in private sector organizations. That experience shapes my perspective on how the duties of the Assistant Secretary could and should be performed. I would highlight four perspectives which are in my statement.

By training and experience I have a deep appreciation for the operating role of the executive and his decisionmaking responsibilities both within the government and the private sector. I perceive

the Assistant Secretary's role is to assist the operating executive in making better decisions.

I am a firm believer in rigorous analysis as part of the decisionmaking powers including the framework for decisionmaking. The Assistant Secretary can improve the analytical process by which program decisions are made and by which resources are allocated. I intend, if confirmed, to oversee that process.

I am painfully aware of resource limitations both in the public and private sector, and am committed to funneling available funds to program rather than unnecessary and duplicative administrative processes. Finally, by style, I believe in consultation and cooperation in managing any organization—be it private or public.

Thank you.

[The prepared statement of Mr. Riso follows:]

STATEMENT OF

GERALD RALPH RISO

Mr. Chairman, members of the Committee, I am honored to appear before you as President Reagan's nominee as the Assistant Secretary - Policy, Budget and Administration, of the Department of the Interior. If confirmed, I look forward to supporting the Secretary and other top management officers in sustaining the fine working relationship they have established with members of the Committee. My statement has several objectives:

- review briefly the basic responsibilities of the position;

- outline my professional background and relate that to the requirements of the position;

- describe how I would, if confirmed, approach the duties of the position.

Clearly, the management of the Department of the Interior presents a substantial challenge to the Secretary, the Under Secretary, and the other top officers of the Department. The Department is large and has 10 diverse Bureaus, some of whose missions occasionally, on a given issue, are not identical with those of the other Bureaus. Several of the Bureaus have

extensive field organizations and require sophisticated planning and management systems. Today, resource limitations compound the complexity of Department operations and place a premium upon wise policy choices, effective budget planning, and efficient management. The Assistant Secretary - Policy, Budget and Administration, is responsible for promoting these objectives in overseeing the policy, budget, and management processes of the Department. These responsibilities include:

- Supervising the analysis of policy proposals to assure consideration of such factors as consistency with the law and with the Secretary's objectives and priorities, that projected economic benefits are weighed against costs, and that implementation requirements are tied to the availability of such resources.

- Managing the budget preparation process to assure that policy decisions are translated into budgets and that the budget reflects departmental priorities. This responsibility also includes communication on budget matters with the Office of Management and Budget and the Congressional Appropriations and Budget Committees.

- Promoting improved management within the Department. Priorities within this area include reducing operating costs, building more useful and effective management and administrative systems, and maximizing the organizational effectiveness of the Bureaus in conducting their program activities.

I regard myself as a professional manager with particularly strong analytical skills. Most of my career has been spent on assisting senior management officials in both for-profit and not-for-profit organizations in addressing basic questions, such as their future direction and priorities, strengthening their capacity to carry out their responsibilities, and developing and installing management systems to direct and evaluate their activities. I have served as a senior executive in several private for-profit organizations and also have been privileged to have served on two previous occasions as a senior official in the federal government.

The majority of my career has been as a Vice President in one of the oldest and largest international management consulting firms in the world. During that period, I worked extensively with public organizations designing service programs, evaluating organization structure, and implementing management systems. I have also been a partner in a Big 8 accounting firm and worked extensively on improving financial planning and

budgeting systems in governmental organizations. I have worked in such diverse subject areas as health care planning and service delivery, public works management, parks and recreation management, and transportation planning and highway safety. Despite the diversity of the subject areas, my professional responsibility has been to provide management analysis and evaluation in support of top management decisionmaking. If confirmed, I envision my role in the Department of the Interior to be quite similar -- providing analysis and evaluation of activities and proposals in support of the Secretary and other top management officials in their programmatic decisionmaking and assisting them in organizing for implementation of their decisions on schedule and within budget. As noted earlier, I've also spent part of my career as an Executive in operating organizations, including two stints as a senior public official of federal government. These experiences have helped to reinforce my appreciation for the role and responsibilities of operating officials and for their need for advice and guidance which assists rather than second-guesses their decisions and their performance. If confirmed, I anticipate operating with the same perspective I have brought to my career to date. Specifically,

- A keen appreciation for the distinctive responsibilities and prerogatives of operating managers as they address the issues in their program areas. My goal would be to assist them.

- A strong commitment to rigorous analysis so that all aspects of an issue are reviewed, all available data are considered, and all participants are consulted in making recommendations to management.

- A sense of urgency that resources have to be allocated to program priorities, rather than unnecessary administrative activities; that improved management in the federal government is an essential element in keeping the cost of government to a minimum, while still providing quality services to the public. My goal would be to help program directors plan and organize their activities so that the resources allocated to them are used most effectively.

- A deep personal conviction that consultation and cooperation is an essential ingredient in running any organization today. This requirement is particularly important in a public organization which has a special trust to the American public.

My objective would be to consult and cooperate with other members of the Department's top management as they collectively address the many issues facing the Department, and I intend to be accessible and open to the Members of Congress as well.

Senator EVANS. We thank you. On behalf of the chairman, I have several questions, and unless those questions impinge on the several things I would like to ask, I will continue from there.

First, what is your understanding of the role that Policy, Budget, and Administration plays with respect to the other agencies and bureaus in the Department of the Interior?

Mr. RISO. There are responsibilities in four areas. One is to provide the necessary administrative services which tend to be perceived to be less important but are important—these include procurement, personnel, data processing process.

Secondly and critically, managing the budget formulation, presentation and administrative process, and communicating with organizations such as the Office of Management and Budget, and with the appropriate committees of the Senate and the House on behalf of Interior budget proposals.

Third is overseeing the policy analysis process. Through that process the staff considers the economic and other consequences of policy proposals, develops alternatives, and recommends them to bureau management and the Secretary. My responsibilities, if confirmed, in that area would be to supervise and oversee that process.

Finally, to lead management improvement both within the Office of the Secretary and within each of the operating bureaus. There are substantial opportunities for management improvement which have to be planned, negotiated, and then implemented.

Those are the areas of concentration.

Senator EVANS. There are those who do perceive the Policy, Budget, and Administration Department to be just an extension of OMB. Would you care to tell us of your perception?

Mr. RISO. It is not an extension of OMB. There are about 700 staff members within the Policy, Budget, and Administration cluster. Of that number, about 30 professionals are involved in the policy and budget process. The balance perform work that solely benefits the department. The working relationships between the budget process in the Federal Government require the budget and policy staff within the Department to communicate and relate, with OMB staff.

In that process, the policy and budget staff are agents of the Secretary, and of the Department. Their role is to challenge budget and program ideas within the Department. Once a departmental decision is made on a budget or a policy, it is the responsibility of that staff to represent the interests of the Secretary.

Senator EVANS. While there may be a legitimate role which the Assistant Secretary plays when it comes to budget review and administration, assuming that the budget review is not directed by OMB, what is that policy role in your view? Is there a need for a policy role from PB&A?

Mr. RISO. I do believe there is a need for a policy role in at least two areas. By choice, some time ago the Department deliberately built an analytical capability as compared to relying upon outside consulting firms. The policy analysis group represents an internal analytical capability in decisionmaking by the Secretary.

There are a number of factors which he has to consider in decisionmaking; i.e., economics, resource limitations, and organizational capabilities. The bureaus properly are advocates of their pro-

gram interests. Those interests occasionally can compete with one another. Having an analytical capability available to the Secretary makes it possible for him to get the best possible advice on the implications of a decision, and hopefully they make the best one available.

A Secretary has a need for that kind of analytical capability. Whether it is called policy analysis, whether it is called legislative oversight, whatever term you might use, there is a function within the department. If we did not have a policy analysis staff within PBA, my guess is that within a short period of time that kind of capability to provide an objective third party review of proposals would develop somewhere within the Department of the Interior.

Senator EVANS. It seems to me in budget-building there is a two-phase, at least a two-phase, process. Internally, you must first to try to assemble from the requests of each of the divisions or bureaus in the Department their ideas and their concepts of what their responsibilities ought to be and what they would like to carry on. Then you must determine at the departmental 'evel the total size really of the budget and the responsibilities that you want to then attempt to defend before OMB.

Under current circumstances, would you say that you and your division represent the Secretary's arm in that process of making the balances between the 10 various departments and agencies, rather, divisions and agencies of the Department?

Mr. RISO. I believe that is the responsibility of the budget group, and my belief is that it is done that way. Recognize, of course, that the process begins with secretarial guidance to the bureaus as to priorities the Secretary wants to emphasize and a balancing that he would like to see in budget proposals.

That becomes a baseline against which the individual bureau proposals have to be analyzed. Disparities between secretarial guidance and bureau requests are highlighted. Prior to the submission of a budget proposal to OMB, there is a series of wrapups with the Under Secretary and the Secretary in terms of "here is the guidance, here are the points of contention between the guidance and their proposals and here are some of the projects and programs the bureaus feel particularly strong about." At that point we wrapup that budget proposal and submit it. It then becomes a Department of the Interior proposal which we all are committed to defend.

Senator EVANS. I have just one other question. You have an unusually strong and varied background, both in governmental activity interspersed with work — leadership role in this field and in the private sector. Would you care to share with us your views having worked in the private sector and having familiarity with corporate and outside methods, regarding what you consider the strengths and weaknesses, particularly the weaknesses that might exist in our own budgetary activities within the public sector? Here is your opportunity.

Mr. RISO. Apart from the fact that the budget process is irrational——

Senator EVANS. Cast that aside.

Mr. RISO. Cast that aside.

Senator EVANS. But in processes, in the ways we do things, it would be helpful if you have some ideas that could be passed along on ways we might reform or change.

Mr. RISO. Let me start with the clear recognition that public service is not identical to being a senior executive within a private sector firm. The responsibilities are different. The trust responsibilities are quite dissimilar, so that you cannot make the naive assumption that an executive can simply transfer all of his attitudes and skills from the private sector to the public sector. I start with that distinction.

I think the fundamental difference is that the decisions of a public-sector executive are subject, sometimes properly and other times excessively, to scrutiny from a whole host of outside and internal interests. In the process of questioning not only outcome but methodology, we begin to blur the accountability of the executive and gradually change his responsibility from that of a leader to that of a custodian.

And so—it is possible to be a very effective public executive by confining your responsibilities to that of a custodian and take no risks, exercise no leadership, and simply preside over a whole host of events for which he has no responsibility but which somehow get to provide answers to problems.

I think the public, Congress, the President in any administration is not well served by having that role diminished. My hope would be, if confirmed, to encourage within Interior a greater sense of accountability for operations within the bureau directors and keep organizations such as PBA in a service mode and second guess less. That would help establish the sense of accountability for results.

Now, unfortunately, as you well know, accountability and risk have to have rewards. The public sector does not reward its executives extraordinarily well, and that tends to expand the problems, and makes institutionalization of quality difficult.

Senator EVANS. It is almost as if, in public life, rewards will come in the next life when you leave public service.

I not only understand, but certainly would agree with you that the whole question of accountability is a difficult one in public service. Do you have any ideas on how that might be strengthened, especially through the budgetary process and the oversight process?

Mr. RISO. I would broaden this beyond Interior and cover the Government generally. There should be more focus upon outcomes, for example hold a bureau director responsible for results. Force him or her to define outcomes in terms of specific, tangible results they intend to achieve. Spend less time on second guessing the mechanics by which that person hopes to achieve the results he is forecasting.

Senator EVANS. That carries with it the requirement that Congress do its share of laying off nitpicking on details, on process? I said that.

Mr RISO. I am a compulsive consultant, and I would recommend that. It is an issue, because if you begin to second guess the mechanics and impose your own you begin to dilute the responsibility of the executive for producing a result.

Senator EVANS. I thank you.

Senator WALLOP. I have no questions.

Senator EVANS. OK. Well, thank you very much.

Mr. RISO. Thank you.

Senator EVANS. You have served already in the position, and we hope we will be able to finalize the nomination process and confirmation process shortly.

Mr. RISO. Thank you very much.

Senator EVANS. Thank you, Mr. Riso.

Next is Donna Fitzpatrick.

Our second nominee, Donna Fitzpatrick, was appointed Acting Assistant Secretary for Conservation and Renewable Energy on March 11, 1985. Prior to her appointment, she served as the Principal Deputy Assistant Secretary. Miss Fitzpatrick has also served as a consultant for the Department of Energy and is a member of the transition team for the National Science Foundation, and in addition she has practiced law and taught high school chemistry and mathematics.

Ms. Fitzpatrick received a BS degree in physics cum laude from the American University and a law degree from the National Law Center for George Washington University.

The Assistant Secretary for Conservation and Renewable Energy administers research and development programs relating to alternative fuels, energy efficiency in end-use consumption, and renewable energy supplies. The renewable energy programs involve research in active and passive solar, photovoltaic, wind, ocean thermal, geothermal, and biomass technologies.

In addition, the Assistant Secretary administers Federal grant programs for low-income home weatherization and energy efficiency improvements in schools and hospitals, and coordinates the management of three of the five Federal power marketing agencies.

If you will stand, the rules of the committee which apply to all nominees require that they be sworn in connection with their testimony. If you would raise your right hand.

[Whereupon, Donna R. Fitzpatrick was duly sworn by Senator Evans.]

Senator EVANS. Please be seated. Before you begin your statement, there are four questions addressed to witnesses before this committee who are nominated for positions, and I would like to ask these questions of you.

Will you be available to appear before this committee and other congressional committees to represent departmental positions and respond to issues of concern to the Congress?

Miss FITZPATRICK. I will.

Senator EVANS. And you have.

Miss FITZPATRICK. I have, yes.

Senator EVANS. Your informational statement has been submitted to the committee. However, it is required that this statement be made public unless the committee decides that special circumstances justify an exception. Do you have any objection to the publication of your informational statement?

Miss FITZPATRICK. No, I don't.

Senator EVANS. Are you aware of any personal holdings, investments, or interest that could constitute a conflict of interest or

create the appearance of such a conflict should you be confirmed and assume the office to which you have been nominated by the President?

Miss FITZPATRICK. No, I am not.

Senator EVANS. Are you involved or do you have any assets held in blind trusts?

Miss FITZPATRICK. No, I don't.

Senator EVANS. Good. We are pleased to welcome you to the committee, and you may proceed. In fact, I understood that John Warner was going to try to be here. I know that Senator Warner wanted to come and introduce you personally, and I think we have about three-quarters of the entire Senate involved in conference committees this morning. I know that he will want to submit an introductory statement for the record. If he does have a chance to appear before your testimony is concluded, we will welcome him to the table. But please feel free to speak from your statement. Your entire statement will be submitted for the record.

Miss FITZPATRICK. Thank you. I would like to introduce to the committee my parents, who are here today.

Senator EVANS. I would be delighted to have you introduce them.

STATEMENT OF DONNA R. FITZPATRICK, NOMINEE TO BE ASSISTANT SECRETARY, CONSERVATION AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY

Miss FITZPATRICK. Hugh and Ula Fitzpatrick are seated behind me. Of course, I am very proud and happy to have them here. Without their support and example, I suppose I would have ended up as a tennis bum or something like that, their nagging, too.

Mr. Chairman and members of the committee, I appreciate the opportunity to appear before you today as President Reagan's nominee for the position of Assistant Secretary for Conservation and Renewable Energy. I think my education and professional background have prepared me to serve in this position.

Mr. Chairman, Senator Warner is right behind you.

Senator EVANS. John, Miss Fitzpatrick just began, and we would be delighted to interrupt.

Senator WARNER. I will not interrupt. I apologize. I am chairing the Senate Armed Services Committee downstairs, and I would like to have my statement submitted for the record. She is eminently qualified to handle it on her own. Thank you.

[The prepared statement of Senator Warner follows:]

STATEMENT OF SENATOR JOHN WARNER
NOMINATION OF DONNA R. FITZPATRICK
TO BE ASSISTANT SECRETARY OF ENERGY FOR
CONSERVATION AND RENEWABLE ENERGY
SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
DECEMBER 5, 1985 - 366 DIRKSEN - 10:00 AM

Mr. Chairman, I am pleased to introduce Donna Fitzpatrick , who has been nominated by the President, to be Assistant Secretary of Energy for Conservation and Renewable Energy.

Miss Fitzpatrick was appointed Acting Assistant Secretary in March of 1985 and has handled her many duties responsibly and with great dedication.

She received a B.S. degree in physics from the American University in 1980 and then went on to earn her law degree from the National Law Center for George Washington University.

As a lawyer, Miss Fitzpatrick worked extensively with energy issues and policies on both the Federal and state level.

She has also served on a consultant team for the Secretary of Energy to review the Department's conservation and renewable energy programs.

I believe Donna Fitzpatrick will faithfully and fully perform the duties entrusted to her, and I urge her speedy confirmation.

Senator EVANS. Good. Fine. Then proceed.

Miss FITZPATRICK. Thank you, Senator.

Based on my prior professional experiences and my service as the Acting Assistant Secretary, I think that energy has an importance far beyond that of most commodities. It is a significant component in every sector of the U.S. economy. Therefore I view energy conservation as an important energy resource that has evolved into a major factor vitally affecting our national energy supply and demand patterns. In the same way renewable energy also has grown. It has matured into a major contributor to our domestic and international energy supply mix.

Renewable energy resources are now supplying about 9 percent of our domestic energy needs. I think the potential for improved energy efficiency and the production of energy from renewable resources and abundant resources has barely been scratched in this country, and I think that that potential can best be achieved if the public and the private sectors will work together.

Mr. Chairman, if confirmed, I am committed to providing sound management and firm leadership to all the programs within my purview. I hope I have demonstrated in opportunities I have already had to work with this committee that I will seek and fully consider your views and suggestions and maintain a constructive dialog on the Department's Conservation and Renewable Energy programs.

If we, together with the private sector, can succeed in these efforts, particularly in increasing the efficiency and reliability of new technologies and decreasing their costs, I think we can help to assure that America will have a stable and secure energy supply for generations to come.

Mr. Chairman, I have submitted full statements and detailed information on my qualifications, experience, and financial affairs, and I will be pleased to answer any questions the committee may have.

[The prepared statement of Miss Fitzpatrick follows:]

STATEMENT OF DONNA R. FITZPATRICK, NOMINEE TO BE ASSISTANT SECRETARY, CONSERVATION AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY

Mr. Chairman and distinguished Members of the Committee, I appreciate the opportunity to appear before you today as President Reagan's nominee for the position of Assistant Secretary for Conservation and Renewable Energy.

Let me emphasize at the outset that I recognize that, as Assistant Secretary, I am and will be accountable to this Committee and to the Congress, as well as to Secretary Herrington and the President. I share Secretary Herrington's commitment to working closely with the Congress and Members of this Committee in carrying out the President's national energy policy and fulfilling the mandates that Congress has established in law for the Department.

BACKGROUND AND EXPERIENCE

My educational background and professional experience are mainly in the fields of science and law. I earned a Bachelor of Arts degree in physics from the American University in 1972. After teaching high school chemistry and mathematics, I entered law school and graduated from the National Law Center of George Washington University. In my law practice, first with the Washington, D.C. firm of O'Connor and Hannan and then as a sole practitioner, I worked primarily in property and business law, including real estate development. In 1980 I served the Office of the President-elect as a member of the Transition Team for the National Science Foundation, reviewing national policy in basic science research. In 1983, I served on a consultant team for the Secretary of

Energy to conduct a general review of the Department's conservation and renewable energy programs and policies.

I left my law practice in January 1984 to serve as Principal Deputy Assistant Secretary for Conservation and Renewable Energy. In that capacity, and that of Acting Assistant Secretary for Conservation and Renewable Energy, which I have held since March 1985, my responsibilities have included managing research and development programs in energy efficiency and renewable energy, administering the state and local assistance grant programs, and coordinating management of three of the five federal power marketing administrations. My education and professional experience, I believe, have prepared me to serve as Assistant Secretary for Conservation and Renewable Energy.

ADMINISTRATION ENERGY POLICIES

With this background in mind, I would like to briefly discuss this Administration's energy policies and what my role will be in carrying them out, if I am confirmed as Assistant Secretary for Conservation and Renewable Energy. It is my view, based upon these experiences, that energy has an importance far beyond that of most commodities. It is a significant component of every aspect of the U.S. economy. Consequently, energy policy is not something that any of us ought to take for granted and I am committed to promoting energy efficiency and renewable energy as essential components of our national energy base. In many cases, they are the most economical and appropriate options available.

If confirmed, I will, to the best of my abilities, carry out the policies established by President Reagan and Secretary Herrington. The overall goal of our policy is to foster an adequate supply of energy at reasonable cost. The strategies which support that goal are:

-first, to seek to minimize federal control and intervention in energy markets, while maintaining public health, safety, and environmental quality; and,

-to promote a balanced and mixed energy resource system.

What this means to me is that the proper role of the Federal government is not to choose winners among competing technologies or to make choices for industry and consumers, but to provide the marketplace with choices. These choices will depend upon local conditions and the relative benefits as determined by the energy users. Thus, I believe that no one approach and no one fuel can be depended upon to meet all of the energy needs of a country as diverse as ours. Resources that are available in Hawaii may not be available in New York. An energy conservation program that works in Minnesota may not be needed in Arizona. As we have seen in the past, undue dependence upon any single energy source is unwise and a possible precursor to serious consequences for America's economic growth and national security.

The Department of Energy has been directing its research efforts in conservation and renewable energy technologies to address the basic technical barriers to the efficient use of energy and its economical

production from renewable or abundant sources. Conservation does not mean sitting in the cold and the dark. It means solving the problems which now cause us to waste most of the energy resources we consume. Renewable energy is not a pipedream. Solar energy in all its forms, whether heat, light, hydropower, photovoltaics, wind, or biomass, and geothermal are already providing nearly nine percent of our domestic energy supply. I think that the potential for improved efficiency and the use of renewable resources has barely been scratched.

In little more than a decade, conservation, which I consider to be an important energy resource, has evolved into a major factor vitally affecting national energy supply and demand patterns. In the past four years, energy efficiency--measured by energy consumed per unit of economic output--increased by 13 percent, the greatest increase in energy efficiency in any four year period in our history. This progress has occurred in spite of an increase in population and strong economic growth. Similarly, renewable energy has matured into a major contributor to the domestic and international energy supply mix. Electricity generated from geothermal, wood, wind, waste, photovoltaic, and solar thermal energy sources totaled 8.6 billion kilowatt-hours during 1984, an hourly average increase of 32.8 percent from the level in 1983. These technologies are increasingly supported by a broad industrial base and a knowledgeable financial and professional infrastructure. Much of the accomplishment of the past decade is a reflection of the creativity of the nation's scientists and engineers, the inventiveness and productivity of the private sector, and the

judgments of millions of energy producers and consumers in a free and competitive market.

While the market provides the strongest incentives for the use of conservation and renewable energy technologies, the Nation has supported and nurtured these technologies, as well as the energy pioneers and entrepreneurs who invent and market them, through a multitude of Federal, state, and local initiatives and programs. Collectively, these mechanisms helped private industry to meet the challenge of exploiting the commercial potential of these important energy resources. Consumer choice, the ongoing Federal commitment to conservation and renewable energy, and the efforts of state and local governments and the private sector will provide further impetus to these technologies within the diverse and competitive marketplace of the future.

ROLE OF THE ASSISTANT SECRETARY

I would like to be a part of encouraging this progress. While I believe that the most effective means of obtaining real gains in energy efficiency and the use of renewable energy is through the mechanism of the marketplace, I also believe that it is important that we as a nation pursue a stable program of research and development in these fields, while retaining the flexibility to address changing needs. I am committed to providing leadership within the government and for the public to pursue every economical opportunity to improve our energy efficiency, to conserve rather than waste, and to utilize our abundant renewable resources. Therefore, if confirmed, I would continue to

support a strong federal research effort in conservation and renewable energy technologies. In that regard, I believe that the best use of the federal dollar is in addressing the basic technical barriers to the efficient use of energy and its economical production from renewable or abundant resources. The goal of such an effort is to provide the technical options that the market needs in order to choose the most economical and appropriate energy form for each application. We must also continue our efforts to help our growing energy industries to enter new markets here and abroad. We must work with state and local governments to build partnerships with the private sector in order to expand the impact of their energy conservation efforts.

Equally important, in my view, is maintaining the commitment to the many forms of technology transfer sponsored by the Department to facilitate the transfer of laboratory technology to commercial use. In the broader sense, these activities include planning and executing our research in close cooperation with industry, usually with cost-sharing, and utilizing the combined resources of our national laboratories, universities, and industrial research facilities.

Mr. Chairman, I am committed to providing sound management, stability, and firm leadership to all of the programs within my purview, if I am confirmed. Having worked with these programs, as I have for nearly two years, I would be remiss at this point if I did not note how impressed I have been with the dedication and skill of the Department's personnel. I look forward to working with them as Assistant Secretary and meeting the challenges which confront us.

In like manner, as I hope that I have demonstrated in the opportunities I have already had to work with this Committee, I am committed to seeking and fully considering your views and suggestions and to maintaining a constructive dialogue on the Department's energy conservation and renewable energy activities. If we, together with the private sector, succeed in these efforts, particularly in increasing the efficiency and reliability of new technologies and decreasing their costs, America can be assured of stable and secure energy supplies for generations to come. We do not yet know when we will need certain new forms of energy supply. We do know that we will some day have to make a basic shift in our reliance on oil and natural gas, and it is the responsibility of our research programs to have "on the shelf" the technology base that will then be needed so as to avoid the kind of disruption and waste that we saw in the 1970s.

Mr. Chairman, this concludes my formal remarks. I have submitted detailed information on my qualifications, experience, and financial affairs. I will be pleased to answer any questions you and the Committee may have.

Senator EVANS. Thank you. You have appeared before the committee on a number of occasions already in conjunction with the responsibilities for which we hope you will shortly be confirmed by the Senate. Currently, we are watching a very interesting shift in the powers of the OPEC cartel, perhaps the demise or at least sharp change in their influence on world oil prices.

If, in fact, there is a sharp decrease in oil prices as appears possible, what are your observations as to the effect it may have on energy conservation programs, and what should we be wary of with what may very shortly be an indication of not only large oil supply, but sharp decreases in energy cost?

Miss FITZPATRICK. I hope that we as a nation, both our Government and individual consumers, have learned that changes in oil prices are nothing if not shortlived. We saw prices go up extremely steeply in the seventies—two major spikes. We have had in the last 4 or 5 years a relative stability and even a decrease, and it looks as if we are headed for what may be a very sharp drop, but all of those are really short-term effects. Nobody is willing to say what the price of oil will be in 5 years. We tried doing 5 and 10-year forecasts a few years ago. In 1985, oil was supposed to be $60 or $70 a barrel. So we know what those forecasts may be worth.

I think the interesting development has been that in the last 4 or 5 years this country has actually increased its energy efficiency more than in any previous 4-year period even though prices have been stable or falling. I think the reason for that is that people have learned that the long-term course of oil prices is going to have to be up. By long-term, I mean 5, 10, 15, 20, 25 years. Therefore as they come to the point of having to make investments in new industrial equipment, for example, equipment that is rather long-lived, or new energy generating equipment of any kind, they are looking at the long-term trends. They are moving to greater efficiency and are willing to make an extra investment, present investment, if that is necessary.

So, I hope that we have learned to take the long-term view, and that we will not be seduced by any sudden drop in oil prices, because I don't think that it can last very long.

Senator EVANS. It ought to be an interesting time in the next year or two.

Miss FITZPATRICK. Well, that was the Chinese curse, remember.

Senator EVANS. Right.

Senator Wallop.

Senator WALLOP. Thank you, Mr. Chairman.

Miss Fitzpatrick, I would like to return, if I may, to your statement on page 2 in the first full paragraph. You stated, and let me paraphrase somewhat, that you left your law practice in January 1984 to serve as principal Deputy Assistant Secretary for Conservation and Renewable Energy, and you also state that in that capacity and that of Acting Assistant Secretary since March 1985, your responsibilites included the responsibilities of managing, and I stress managing for a reason, the research and development programs in energy efficiency and renewable energy as well as administering the local assistance grant programs, coordinating management of three Federal Power Marketing Administrations.

My concern pertains to the R&D development programs in energy efficiency and renewable energy. First, could you briefly describe for the committee the areas under this heading or jurisdiction?

Miss FITZPATRICK. Yes; in the Office of Conservation we have the activities divided into the three end-use sectors of transportation, buildings, and industry. We are pursuing increased efficiency of energy use in all of those sectors. We are looking, for example in transportation, at high temperature engines for automobiles and trucks, electric vehicles, alternative fuels, and alternatives to petroleum fuels.

In industry, we are looking at a very wide range of industrial processes, from steelmaking to food processing, to help industry to solve some of the basic technical problems that they face in trying to use energy more efficiently.

These problems very often deal with materials—and we find that we really know very little about materials—how to make materials that can survive at high temperatures in very corrosive environments, for example. I think we are making good progress in that area and seeing applications and valuable spinoffs from that work.

On the renewable side, we are working on producing energy from either renewable or abundant resources that we have here in this country. We have solar resources in all forms: wind, photovoltaic, solar thermal, daylighting, ocean thermal, and plant matter or biomass.

We also have geothermal and geopressure resources work in which we are trying first to identify the location and extent of geothermal resources in this country, and then how to exploit them. There are some very difficult problems involving high temperatures, pressures, very highly acidic or saline brines that are very difficult to handle because they clog pipes and do other nasty things. We are working with industry to try to identify again the basic technical problems that must be solved, and then determine what is the proper Federal role in solving those problems.

Senator WALLOP. Well, would it be fair to say you are satisfied with the management that this has had?

Miss FITZPATRICK. I am never satisfied. I am satisfied that the programs are reasonably organized, that they have long-term research plans, that they know what it is they are supposed to be doing. We have definable goals. We have milestones, so we know that we are making progress and have some way of judging whether we are successful or not.

So, I am generally satisfied that the programs are on the right track. I think we can improve.

Senator WALLOP. As you no doubt are aware, I have for some time expressed some reservations about the manner in which the conservation and renewable programs have or have not been managed as well as a number of the inspector general investigations and audits that are currently under way in this area. There is this article that appeared in the December 9 issue of the publication called Inside Energy which actually heightened my concerns.

This article is referring to former Under Secretary Pat Collins' report on the conservation and renewable energy programs. Are you familiar with that report?

Miss FITZPATRICK. I have received a copy of it. I haven't had time to read it thoroughly. I have asked my staff to review it for me, and I will look at it.

Senator WALLOP. Are you familiar with the article?

Miss FITZPATRICK. Yes, I did read the article.

Senator WALLOP. Then you are no doubt aware of one thing that it says which is of concern, I think, to this committee, and should be, I think, as well to you, and let me just quote from the Collins report.

It said:

> The lack of viable long-term planning documents in the conservation and renewable areas reflects extremely poor management and is insulting to the taxpayers, the Congress, industry, and the scientific community. One wonders why quality industrial commitment as well as quality individuals in the private sector or government would remain involved with such an ad hoc overall long-range planning commitment as has been the case in the past. There must be an expansion of recent long-term plans in conservation and renewable energy and a commitment by management to sustain the plan within the parameters of political change.

Collins also said that "Thorough technical management and technology transfer review should be commenced as soon as possible." That is pretty tough stuff. What are you proposing to do about that? Or do you accept that?

Ms. FITZPATRICK. I don't accept that the Office does not have a viable and credible long-range planning process and documents to back it up. We do have that. We completed last year an extensive review of all renewable resources, what their energy contribution potential was, what technical problems had to be solved to achieve that potential, and what the Federal role should be in that.

That is documented and has been made available to the interested congressional committees. We have done in the Office of Conservation a similar 5-year plan which required all programs to lay out what their technical goals were, how they expected to achieve them, what it would cost. We have had extensive peer reviews of those documents within the agency, within other Government agencies, and outside the Government. For example, the National Academy of Sciences has an ongoing review process for our planning documents.

I think that we do have a planning process. For the other points on technology transfer: I agree that that is an extremely important part of our efforts, because there is no point in the Federal Government inventing or discovering anything if it can't be put into the hands of industry in a very expeditious way.

The Federal Government doesn't produce energy or make anything, with some exceptions. What we are doing is for America.

Senator WALLOP. It produces a lot of wind.

Miss FITZPATRICK. Well, I think Senator Hatfield once suggested we should put a hot air rotor on top of the Capitol and we might get something out of it, but I think the point on technology transfer is well taken. We have just within the last few months established a Division of Technology Applications and Transfer immediately reporting to my office, so we are aware of that problem, and we are going to be working on it.

Senator WALLOP. But you basically reject his perception that these long-range plans do not exist?

Miss FITZPATRICK. Yes.

Senator WALLOP. The report is quite recent.

Miss FITZPATRICK. I understand that.

Senator WALLOP. Why do you suppose he came to those conclusions?

Miss FITZPATRICK. I do not know, Senator.

Senator WALLOP. Will you and the Department or others inquire of him as to what——

Miss FITZPATRICK. The report is made to the Secretary, so I think it is up to the Secretary to decide how he wants to respond to it.

Senator WALLOP. I know. It is up to the Secretary. But it is your Department.

Miss FITZPATRICK. Yes.

Senator WALLOP. One which you have been managing, and we seek to confirm you, and I must say I am not here today to stand in the way of that, but to get at an issue which——

Miss FITZPATRICK. Well, I would be interested in talking to Mr. Collins and asking him why he thinks that our planning process is inadquate.

Senator WALLOP. Would you be willing to take those several parts of the report as it relates to your Department and give the committee a response to them?

Miss FITZPATRICK. Certainly I would.

Senator WALLOP. And demonstrate where they are not correct, or where they are correct, what plans there are to——

Miss FITZPATRICK. Certainly. I would be happy to do that, Senator.

[The information follows:]

REVIEW OF "CONSERVATION AND RENEWABLE ENERGY, STATE AND LOCAL ASSISTANCE PROGRAMS, TECHNOLOGY PROGRAMS"

A report by W. Patrick Collins, former Under Secretary of the Department of Energy, entitled "Conservation Renewable Energy, State and Local Assistance Programs, Technology Programs," has been submitted to the Secretary. The following is a review of that report and CE's response to it.

The report is a critique of the way in which the Government activities in conservation and renewable energy research and grant programs have been established and maintained. It reviews the roles of the Department of Energy (DOE), the Congress, scientists in the private sector, universities, and Government laboratories, research contractors, industry, special interest groups, and public information media. The recurring theme is that, in one technology after another, sufficient information to make rational funding and research decisions has been lacking, insufficiently disseminated, or overridden by local or special interests. The solution offered is to establish mechanisms for the open sharing of information among all interested parties, so that Federal budget decisions can be made responsibly in the best interests of the Nation and long range research and development plans can be based on the most reliable information and opinions.

The second major theme of the report is the lack of sufficient expertise in the Government to transfer the results of Government funded research to the public. The report proposes that the Government should use electronic and print media to inform the public of the status of the various technologies, their availability for use, and Government policy in developing energy technologies.

Observations regarding DOE's planning processes in conservation and renewable energy research are accurate to the extent that they reflect conditions in 1983, when Mr. Collins came to the Department. The Administration had been submitting budget requests which would essentially shut down much of the research in the Office of Conservation and Renewable Energy (CE) and eliminate the conservation grant programs. In such a situation, CE was not motivated to undertake long range planning. Congress never accepted the proposed budgets and instead wrote its own, amounting to approximately $700 million per year. Appropriations hearings were acrimonious and the Department was not effectively participating in determining its own budget.

Under the direction of former Secretary Donald Hodel, with Mr. Collins's support, CE began in 1983 to analyze the technologies in the CE research programs to determine their potentials for increasing the efficiency of energy use (conservation) or supplying energy in a variety of forms from domestically available non-fossil, non-nuclear

resource (renewables). These analyses have resulted in the publication, beginning in 1984, of multiyear research and development plans, identifying critical research needs and the proper role of Federal activities. The process is by its nature a continuing one and the level of participation by interested parties outside of DOE has been increasing and will continue to do so.

As an example of the effort to expand participation in the planning process, the National Research Council of the National Academy of Sciences held a symposium on the conservation multiyear plan, at the request of the Department. The two day meeting in December, 1985, included participants from academia, industry, professional societies, Congressional committee staffs and the Congressional Research Service, the Energy Research Advisory Board, the national laboratories, and several foreign countries, including the Commission of the European Communities. The formal report is not yet available, but the comments given at the symposium were highly favorable to the plan.

In 1986, CE will place greater emphasis on involving the national laboratories in task force reviews to determine overall priorities in national laboratory activities.

The issue of how best to transfer the results of Federal research has been addressed at the level of the individual technology programs. The great bulk of information generated by CE research is highly technical, due to the emphasis on basic and early applied research. The audience for this information is generally other researchers in national, university, and industry laboratories. Therefore, the most appropriate means for transferring most of the information is through targeted program reviews, seminars, professional conferences, and publications. Some information is useful for a wider audience or the general public and the Department uses a variety of dissemination techniques, including the National Appropriate Technology Assistance Service, the Conservation and Renewable Energy Information and Referral Service, the Technology Information Center, and energy information offices in the States and Territories.

CE is maintaining its emphasis on effective technology transfer through the research program offices and views the entire research and development process as an integrated whole, requiring the involvement of all private and public sector participants from the earliest planning to the final transfer of Government funded research results. In 1985, a technology applications division was established to coordinate and focus the technology transfer efforts that are already part of every research program in CE. In addition, we are placing more emphasis on technical assistance and technology transfer in our state and local assistance programs.

There have been activities in several of the other areas of concern to Mr. Collins. Mr. Collins recommends encouragement of private efforts in low-income weatherization. We have recently initiated a 5-state pilot project to assess the capability of states to stimulate private and non-Federal support of low-income residential retrofitting. An innovative financing initiative was undertaken in response to the need

to develop ways of supplementing Federal weatherization funds. Models demonstrating shared savings, bank participation, and energy services company business development are being concluded. New models testing hybrids of these initial shared savings approaches are underway.

CE will continue to expand the opportunities for participation in the research planning process. The reviews of the National Academy of Sciences and the Energy Research Advisory Board will be continued.

CE will continue emphasis on maximum interaction with industry in both planning research and applying results, including investigating novel cooperative venture possibilities to help leverage available resources and assure the utility of research programs, and will remain alert for opportunities to transfer useful information to new audiences, such as least-cost planning for the utility industry.

Senator WALLOP. Could you describe the nature and number of the IG investigations and audits and inspections presently under way within your jurisdiction?

Miss FITZPATRICK. We have had just very recently completed the draft report on an examination of the management of the State and Local Assistance programs with some suggestions including some suggestions for legislative changes. We have had, within the last 3 or 4 months, a report on one of the geothermal loan guarantee applications that we had under way.

Senator WALLOP. IG?

Miss FITZPATRICK. An IG. Yes, that was an IG report.

We had, last year, I think another one on geothermal, and those have been the main ones. I can't think of any others right now.

Senator WALLOP. Were they initiated during your tenure as Deputy Assistant?

Miss FITZPATRICK. Some of them were. The recent one on the geothermal loan guarantee was, and the examination of the State and Local Assistance Program was instituted, I believe, last spring or early summer.

Senator WALLOP. Did any of these imply any wrongdoing within the Department or any inefficiency?

Miss FITZPATRICK. No, the IG——

Senator WALLOP. What is their purpose? Why were they initiated?

Miss FITZPATRICK. The IG has explained to me that these are routine activities that his office undertakes. They simply go through the Department and pick up places where they think there might be any possibility of management difficulties or funds mishandling. Of course, in the grants program we are extremely aware of that.

I am happy to have the IG come look at it. I think he serves a good purpose throughout the Department and relieves the various elements of trying to maintain a redundant self-examination role. So, he tells me they are perfectly routine, and there wasn't anything in particular that spurred them. And as I say, we are happy to have their views and opinions.

Senator WALLOP. Will you inform the committee of the outcome and findings of all the ongoing investigations and audits and inspections when they are completed?

Miss FITZPATRICK. Yes, I will. I think the IG publishes those reports, and I will be happy to see that they get to the committee.

[The information follows:]

IG INVESTIGATIONS

Currently there is one Inspector General (IG) audit in process on the Geothermal Loan Guarantee Program and the Geothermal Resource Development Fund. The IG has made tentative findings and recommendations on two other issues: overtime administration in CE and on the DOE's organization for managing State and Local Assistance Programs. Upon completion, the IG's final reports and CE's response to these actions of the IG will be provided to the committee.

Senator WALLOP. Would you accompany them with your plans for correcting whatever?

Miss FITZPATRICK. Yes, I would.

Senator WALLOP. Because, you know, I have no way of knowing what the Collins report's validity is. It is a report which was first refused to be published or at least made available. One always wonders why that is, especially if it is viewed to be wrong. If it is viewed to be right, I think the committee is entitled to know what parts of it are right and what we are doing to correct it, because it is a time of short budgets, and I assume that that is one of the major problems that you are going to be confronting now.

The last thing we need is a management which cannot refute a charge as blunt as that one, and it really is pretty tough stuff, and it goes on to say that "the Senate aide who read the report said that DOE's conservation and renewable programs are headless and lack fundamental direction."

Miss FITZPATRICK. I have to say in all fairness, Senator Wallop, Mr. Collins was in charge of them for almost 2 years, until last——

Senator WALLOP. Well, that is fine. I am not seeking now to lay blame on you or Mr. Collins or anybody else, but if it is in fact the case, it has to change, and I am getting from you a sense of sufficient rejection that maybe it will not be seriously reviewed.

Miss FITZPATRICK. I will seriously review it, Senator, and I would be most happy to give you my comments, and where I think any changes have to be made. I certainly don't intend to have headless programs.

Senator WALLOP. Thank you, Mr. Chairman.

Senator EVANS. Thank you.

Senator Metzenbaum.

Senator METZENBAUM. Mr. Chairman, I have a couple of questions which I would like to submit in writing. I do not wish to take up the committee's time.

Senator EVANS. Certainly.

Senator METZENBAUM. Miss Fitzpatrick, I am trying to read the material you submitted in your biography. I am concerned as to your feelings as to the obligatory thrust you will have in this new position with respect to conservation, what emphasis, what you will try to do, whether you think that there is any cause for mandatory conservation measures, whether you think voluntary measures will work. Could you give us an overview on your thoughts on that?

Miss FITZPATRICK. Certainly, Senator. As I said, I think conservation is a tremendous resource for this country. It has been said that the increase in energy efficiency that has been achieved in this country since 1973 is providing us with the equivalent of four Alaska pipelines. That is, the energy that we are not using because we have gotten more efficient is equal to that much oil. We think that we can do as much as that again. We think that there is another 14 or 15 or 16 quadrillion BTU's of energy consumption that can be avoided per year by the end of the century if we make use of both the technologies that we already have available to us and what I think we can reasonably hope to achieve through both Federal and private sector research programs that are now underway.

Senator METZENBAUM. How would you go about achieving that?

Miss FITZPATRICK. I think the first thing you have to do is identify what the technological opportunities are and lay out a research plan. The second thing you have to do is make sure that the people who can use the fruits of research know about it, are involved in it, and get the information as fast as possible. We do that generally in our Federal research programs by involving the industry which is concerned in the contracting of the research and actually getting them to pay for it.

If they are paying for some of it, then they are going to be far more interested in the results.

Third, I think we have to supply information to the public at all levels so that they will know what opportunities are available to them, what technologies are available; everything from technological changes to behavioral changes that they can undertake. We are finding a growing interest around the country in everybody who supplies energy and uses energy, including the utilities, in undertaking efficiency improvements.

The last thing that utilities want to do is to have to build new generating capacity. They are becomimg increasingly active in working with their customers, both residential and industrial, as well as commercial customers, in helping those customers to be more efficient in how they use energy to manage their load, the time of day, season of the year, as well as whatever it is they are using energy for.

Senator METZENBAUM. Do you think that appliances ought to have some indication on them as to what the energy consumption is and some way for a purchaser to be able to determine whether or not to buy a refrigerator from one company or a dishwasher from one company?

Miss FITZPATRICK. Yes, I think that information should be readily available, and I applaud the appliance labeling program that the FTC manages and that we cooperate with them in.

Senator METZENBAUM. I noticed we have some appliances, recently bought, with no indication of what the consumption is. Is it mandatory now?

Miss FITZPATRICK. It is on certain appliances and not on others.

Senator METZENBAUM. Do you think, through your leadership, that could be brought about to make it mandatory with respect to even more?

Miss FITZPATRICK. I would like to look into it. I think it is an excellent suggestion.

Senator METZENBAUM. Would you support such an effort?

Miss FITZPATRICK. To examine whether other appliances should be labeled? Yes.

Senator METZENBAUM. To require that they be labeled.

Miss FITZPATRICK. I think we should examine the question. My inclination would be that consumers should have that information available to them as they make their choices. I agree that that is——

Senator METZENBAUM. The thrust of my question really is, there is such an aversion in this administration to requiring anybody to walk across the street or to walk on the other side of the street on a mandatory basis that I am trying to get your point of view as to whether you think—and I am not asking you whether or not the OMB and the President and seven other people might approve of it, but whether you think it would be advisable to have mandatory efficiency standards, mandatory labels with respect to efficiency standards.

Miss FITZPATRICK. Yes, I think that mandatory labeling on appliances is a good thing, and I support it.

Senator METZENBAUM. What about fuel efficiency standards?

Miss FITZPATRICK. For automobiles?

Senator METZENBAUM. For automobiles, yes.

Miss FITZPATRICK. I think that is a difficult question because people argue up and down on both sides of it on whether it is necessary, whether the market will meet the demands anyway. The standard right now, I believe, has been rolled back from what it used to be, and personally I think that it should be possible to make cars that can go with a fleet average of 26, 27 miles per gallon. Some auto manufacturers manage to do it.

Senator METZENBAUM. I am not sure it falls within your jurisdiction or not.

Miss FITZPATRICK. No, it doesn't. It really falls within the Department of Transportation.

Senator METZENBAUM. Do you think that the Government should have a larger role in funding low-income weatherization?

Miss FITZPATRICK. I think that we should have a larger role in making better use of the Federal funds that are already being applied to it, which actually totals about $400 million a year.

Senator METZENBAUM. How much is it?

Miss FITZPATRICK. It is about $400 million a year; $190 to $200 million of that comes from the Department of Energy; and funds from the HHS program, Low-Income Home Energy Assistance Program, are moved by the States into weatherization, and that totals another, I am told, about $200 million a year.

I think that those funds can probably be used better than they are with better information on effective way to weatherize a home. We are also finding increasing interest on the part of utilities, equipment suppliers and homeowners in weatherizing homes. I think that that interest can be capitalized on by producing more funds and in-kind contributions from the non-Federal sector.

I think we have a tremendous problem with homes that need weatherizing, and at the rate that the Federal funding is going, it is not going to happen for 50 years. We are barely making a dent in the stock of housing that should be weatherized.

Senator METZENBAUM. Would you be willing to make that somewhat of a priority matter, a priority concern of yours?

Miss FITZPATRICK. I have, Senator. We have been working for the past year in improving that program, and in trying to find non-Federal resources to bring to bear on it.

Senator METZENBAUM. Going back to the issue of setting standards for labeling of appliances, as you know, the Government set a no-standard standard for appliances when it attempted to do so, and that has now been thrown out by the courts. Will you promptly move to establish such standards? Can we look forward to that?

Miss FITZPATRICK. Yes, Senator, I will.

Senator METZENBAUM. Can you give us any idea as to how long you think that might take?

Miss FITZPATRICK. We have been working on our plan of how we would do that. It will probably take some months to work out the analysis requirements as the court has said they have to be done. The court objected to our methods of analysis, and so we are going to have to work out a new computer program for doing that, a new energy consumption model for each of those appliances, and that is a rather complex process. The court's opinion lays out pretty well just how complex that is.

That is going to take us some months. After that we have to go through a formal rulemaking procedure, which of course requires a notice of proposed rulemaking and probably at least a 90-day comment period, analysis of notice, publication of a proposed rule, et cetera, the entire Administrative Procedures Act.

I wouldn't expect, in all honesty, to see a final standard promulgated until, I would guess, some time in late 1987. I know it is a very time-consuming process, Senator.

Senator METZENBAUM. I would urge you to move more promptly.

Miss FITZPATRICK. We certainly will.

Senator METZENBAUM. I think Government can move more promptly when it decides to do so.

Mr. Chairman, I have just been called to another committee hearing on an urgent basis. I did want to say that we have some written questions for the record for Mr. Duvall, and that with respect to Ms. Walker, I am still trying to find some additional information out from the White House and the Department of Justice, but I do know I have a number of questions about her.

I think it might be advisable if she would return at a later date, because I do not think we are prepared to inquire fully of her at this point, and I have made every effort to obtain the information, and this morning the White House called, and I was not able to talk to them. I was on my way to the floor. I do not wish to delay her nomination, but I do think there are a sufficient number of inquiries that I and other members of the committee have, and I am making that as somewhat of a formal request.

I will try to get back for some questions later in the morning.

Senator EVANS. If the Department does not come back with sufficient information, certainly we would entertain that request for a delay. It is my understanding there is still some attempt to get sufficient information here in time. It is going to be another hour or so.

Senator METZENBAUM. I will try to get back because I do have some questions.

Senator EVANS. And the questions for Mr. Duvall will be submitted for answers.

Senator METZENBAUM. Thank you.

Senator EVANS. Senator Hecht.

Senator HECHT. Thank you, Mr. Chairman.

Ms. Fitzpatrick, earlier this year I introduced S. 1322, a bill to amend the Geothermal Steam Act of 1970. The bill would allow the Government to set up a procedure to extend geothermal leases when the situation warranted this extension. Are you aware of this bill?

Miss FITZPATRICK. Yes, Senator, I am.

Senator HECHT. I hate when people put me on the spot, and I do not mean to do this to you, because in my first 2 years here as a Senator we had 30,000 pieces of legislation, and I did not like it. Are you aware of it?

Miss FITZPATRICK. Yes, I am, Senator.

Senator HECHT. Have you looked at it? Do you support it?

Miss FITZPATRICK. Yes, as I recall, it would provide the Department of the Interior with a process for extending leases on geothermal resources which they have with private developers. I think that is a good idea, because private developers have undertaken to develop those leases, and in many cases have been slowed down by changing economic conditions. I think that if we can maintain a stable atmosphere in that industry and give them a chance to develop the fields as they become economically viable, that would be a good thing.

Senator HECHT. You said it all very well in a nutshell, which is exactly the situation. They put in huge sums of money at their own expense because of certain situations which they were not in command of. They have been unable to continue the development.

If confirmed, what would you do to promote the development of geothermal energy in our country?

Miss FITZPATRICK. I think that geothermal energy is a tremendous potential resource. It is so large that we probably shouldn't even talk about how many quads of energy there are. It is more than we could ever use. I have heard 100,000 quads quoted. We use only 75 quads a year in this country. It is meaningless to talk about how much energy that is.

I think that there are some serious problems, technical problems, that the geothermal industry is facing. Among them are high temperature regimes at great depths and high pressures in which we have very serious equipment and materials problems.

We have equipment falling apart, materials corroding and deteriorating under those conditions. We have brines that are 25 to 40 percent solids, which plate out on the insides of pipes and clog them up.

We have identified these problems. We are working extremely closely with industry to make some progress on them. I think we are making progress. I would continue to support that work. Last Friday morning, in the Imperial Valley in California, the Department participated in the dedication of a 50-megawatt geothermal

electric generation plant. We paid for about a third of that plant. It cost about $180 million.

That plant is significant because it uses what is called a binary heat transfer process. That is the type of process that is going to be necessary for us to exploit about 80 percent of the geothermal resources in this country. That plant is the first commercial size plant using that process. We are going to be watching its testing period very, very closely. We hope to learn a great deal from it, and we consider it a major contribution that we have made to the development of the industry.

Senator HECHT. Would you be available to meet with me and representatives of the geothermal industry some time after your confirmation to discuss ways to promote that industry?

Miss FITZPATRICK. I would be very happy to, Senator.

Senator HECHT. I and a number of other Senators cosponored a bill to extend various tax credits for renewable energy projects beyond their current expiration date on December 31. Do you support extending these tax credits for renewable energy?

Miss FITZPATRICK. Senator, the Department and I have supported the extension of some of the renewable credits beyond their planned expiration date on the 31st of this month. Last year, when there was a bill before the Senate and the House, we supported it then and it did pass the Senate.

This year, the President has proposed a very extensive reform of the entire tax system which would eliminate a great many credits and deductions. In the context of a complete tax reform, I would not support renewable energy credit extensions. If there is not going to be a complete tax reform, then I think our previous policy holds.

Senator HECHT. Very well said again. I am very impressed with your background, and I look forward to working with you after your confirmation.

Miss FITZPATRICK. Thank you, Senator.

Senator EVANS. Thank you, Senator Hecht.

I just have two further questions. The Energy Information Agency wants to introduce legislation that would eliminate the current survey on manufacturing energy consumption and begin a new one that is more comprehensive. Most of the energy conservation groups I understand support it, but the aluminum and paper industries oppose it. Do you feel that the industry-collected information we are getting now is adequate?

Miss FITZPATRICK. I think that we need to improve some of our energy information collection. As I understand it, there are safeguards to keep any information which might be proprietary or otherwise confidential from becoming disseminated improperly, and I had not heard that that was still a problem. I had understood that they had settled on a method of doing that, and that people were satisfied. Of course if people aren't, I would be happy to talk to anybody who thinks we need to work on the problem further.

Senator EVANS. But you generally support the new information gathering proposal of EIA?

Miss FITZPATRICK. Yes. Conservation and Renewable Energy has been required to collect information. We haven't found that particularly useful. I know that EIA is working on a new process

which they feel would be more useful, and we have been working with them on designing that.

Senator EVANS. One final question. What is the Department of Energy doing specifically with the aluminum industry in carrying out research and development to increase its energy efficiency?

These are very energy-intensive industries, as we know, and we are at a point where the American aluminum industry, at least, is finding some severe pressures from overseas competition, some of which we may not be able to do much about, but what are we doing in terms of R&D?

Miss FITZPATRICK. We have a research project with the industry to identify a much more efficient reduction cell for use by the aluminum industry. I understand that some materials have already been bench tested and that, if we are successful, we will make a very large increase in the efficiency of that industry.

Senator EVANS. Any estimate of percentage change that that might bring?

Miss FITZPATRICK. I almost hate to answer that, Senator. The figure that pops to mind is 40 percent, but I would like to get that for you for the record. I can't trust my memory on it at this point.

[The information follows:]

ALUMINUM INDUSTRY R&D

Work to develop practical, stable electrodes for use in Hall type aluminum reduction cells is being continued at MIT and the Pacific Northwest Laboratories (PNL). An energy savings of .2 quads or 40 percent of the electrical energy presently required (present industrial average 7.5 Kwh/lb. reduced to 4.6 Kwh/lb.) to produce aluminum is anticipated when this technology is commercialized.

Alcoa, as part of a cooperative agreement with DOE, has developed and bench tested a very promising inert anode material. PNL is now investigating various cell operating parameters that would allow the use of this material commercially. PNL is also investigating the practical application of titanium diboride as a stable cathode material.

Senator EVANS. OK. That is fine. In that process, do you keep up with or do you have a way of acquiring information on similar research that is going on in other countries? I am thinking particularly of Japan, with some of their high electric costs and the need for the best kind of energy efficiency they can get in their aluminum industry.

Miss FITZPATRICK. Yes. Through the IEA, we cooperate and keep track of research projects in other countries. We had a meeting at the National Academy of Sciences just a week ago in which we had a number of representatives from foreign countries come and talk about their research projects in conservation.

We do try to keep up with what is going on elsewhere, and we have constant requests from other countries for what we are doing. So there is a great deal of competition, and in a sense there is a bit of tension in it. Scientists always want to share all their information, and I think that is healthy. On the other hand, these things have implications for industrial competitiveness, and you kind of like to keep some of it to yourself. But we try to work with our allies in the IEA to our own mutual advantages.

Senator EVANS. You do not have an energy CIA any place to seek out what is going on elsewhere?

Miss FITZPATRICK. No, sir.

Senator EVANS. OK. Well, we thank you. You have been grilled extensively, and we look forward to your confirmation and continuing to work with you on the committee's activities.

Miss FITZPATRICK. Thank you, Senator.

Senator EVANS. Thank you very much.

Our third nominee is C. Dale Duvall. Mr. Duvall has been vice president and treasurer of the Overseas Private Investment Corp. since June 1981. Prior to joining OPIC, he served several months as the White House appointed head of the Community Services Administration, and also headed an administration transition team in 1981.

Prior to coming to Washington, Mr. Duvall, a certified public accountant, was managing partner of Morris, Lee and Co., a regional CPA firm based in Spokane, WA.

Before we go through the details of oath and questions, I would personally like to welcome Mr. Duvall, a long-time friend, Washingtonian, and we can only modestly hold against him the fact that he was a Washington State Cougar for a time, but other than that, a distinguished businessman from Spokane, a good Washingtonian, and, of course, has served for the last 5 years as part of the administration.

I am also delighted to welcome my senior colleague from the State of Washington for an introductory comment. Senator Gorton.

STATEMENT OF HON. SLADE GORTON, A U.S. SENATOR FROM THE STATE OF WASHINGTON

Senator GORTON. Thank you, Mr. Chairman.

I am delighted to appear before you and this committee to introduce C. Dale Duvall, President Reagan's nominee to be Commissioner of Reclamation.

I have known Dale for more than a decade. I know him to be a man of immense integrity and administrative talents. I recommend him strongly to the committee for this position.

Since June 1981, Dale has been treasurer and vice president of the Overseas Private Investment Corp. As my colleagues on this committee know, that agency has an immense responsibility to provide political risk insurance and finance services to encourage American private sector development in nearly 100 developing countries.

While with OPIC, Dale has developed a reputation as a fair-minded, hard-working executive who brings high ideals and commitment to his job. Best put, he gets the job done with civility, integrity, and efficiency.

Dale Duvall's administrative expertise runs deep. In 1981 he came to work here in Washington, DC, leaving a position as managing partner of Morris, Lee and Co., a multioffice regional certified public accountant firm based in his hometown of Spokane. His career in the private sector has distinguished him in financial management and administration in the fields of contracting, engineering, retailing, and cooperatives.

After the 1980 Presidential election, Dale headed an administration team which produced reports for 38 of the smaller Federal

agencies, boards, and commissions as well as a special report on the 820 special advisory committees of the Federal Government.

These reports were vital to the effective transfer of power and responsibility from the Carter to the Reagan administration.

As Dale's biographical sketch indicates, he was instilled with a keen sense of duty and hard work early in life while, when still a boy, he took on man-size responsibilities on his family's wheat and cattle farm in eastern Washington. Since those early days, he has never stopped working to improve himself, his family, his community, and his Nation.

Mr. Chairman and members of the committee, I am convinced that we need more men like Dale Duvall working for the Federal Government, and I am proud that he is willing to continue his service here.

I am convinced that he is eminently qualified to assume the duties of the office of Commissioner of Reclamation, and I urge the committee to act promptly in approving his nomination.

Senator EVANS. Thank you, Senator Gorton.

And now, Mr. Duvall, if you will rise and raise your right hand, the rules of the committee which apply to all nominees require that they be sworn in connection with their testimony.

[Whereupon, C. Dale Duvall was duly sworn by Senator Evans.]

Senator EVANS. Please be seated. There are four questions which we have asked of other nominees. Will you be available to appear before this committee and other congressional committees to represent departmental positions and respond to issues of concern to the Congress?

Mr. DUVALL. I will.

Senator EVANS. Your informational statement has been submitted to the committee. However, it is required that this statement be made public unless the committee decides that special circumstances justify an exception. Do you have any objection to the publication of your informational statement?

Mr. DUVALL. None.

Senator EVANS. Are you aware of any personal holdings, investments, or interests that could constitute a conflict of interest or create the appearance of such a conflict should you be confirmed and assume the office to which you have been nominated by the President?

Mr. DUVALL. None whatsoever.

Senator EVANS. Are you involved or do you have any assets held in blind trusts?

Mr. DUVALL. No, I do not.

Senator EVANS. We welcome you to the committee. I understand your wife has accompanied you. We would be delighted to have you introduce your wife to the committee.

STATEMENT OF C. DALE DUVALL, NOMINEE TO BE COMMISSIONER OF RECLAMATION, DEPARTMENT OF THE INTERIOR

Mr. DUVALL. I would appreciate doing that, Mr. Chairman, and members of the committee. My wife, Jewell Fox Duvall, is accompanying me here today, and I would like her to be recognized.

Senator EVANS. Mrs. Duvall, would you like to stand so that we can recognize you? Welcome to the committee.

Mr. Duvall, would you please proceed with whatever statement you would like to make? Your entire statement will be included in the record, and you may proceed in any method you wish.

Mr. DUVALL. Thank you. Although I am suffering from a bout of laryngitis, I will try to make a few comments here for the benefit of perhaps answering in advance some questions that might be forthcoming.

The Bureau is a major and proven Agency that has played an extremely instrumental role in the development of the west. It has been extremely successful, and I want the committee to know that I appear here today as an advocate of the Bureau of Reclamation.

However, let me hasten to explain that in describing myself as an advocate, I am not here to propose a program that at any cost should embark upon the construction of more dams, more agricultural irrigation, or more water development. We all recognize that development at any cost is not presently in the national interest and probably not even in the best interests of the West.

Today, as the Federal Government is at long last coming to grips with the issue of the excessive deficits, it would be foolhardy for me to fail to recognize that this Nation's tastes and indeed its very needs for western water development must be, as it already has been, tailored to reflect the realities of these times.

I point out, however, that despite the constraints on the Federal pocketbook, this Nation—and most particularly its arid western region—has an ever-increasing need for more and better water utilization. There is an equally urgent need for improvements in the quality of delivered water as well as for the proper disposition of waste that results from its use.

Therefore, it would seem to me that there is and will be a continuing Federal role in water. There are challenges out there in the form of unfulfilled commitments and unresolved problems that need to be addressed. If confirmed, a well-balanced and sensible approach to these challenges will be a direct responsibility of mine, and I can accept that challenge, but I can be successful in meeting the challenge only through the support of this committee and the Congress.

I will need the wisdom, the counsel, and the confidence of the Congress, and I ask for that. We must recognize that some of the issues are volatile and may be subjects of some degree of sensationalism as they attract investigative reporters or are picked up in election-year dialog.

Therefore, I hope that the committee will understand that as the Commissioner of the Bureau of Reclamation, my desire and my efforts will be to focus only on defining and implementing solutions to the major problems, and that I will willingly and enthusiastically work with each member of this committee in a quiet, professional, and hopefully an efficient approach to problem resolution.

Thank you.

[The prepared statement of Mr. Duvall follows:]

STATEMENT OF C. DALE DUVALL
NOMINEE FOR
COMMISSIONER OF RECLAMATION

Mr. Chairman and members of the Committee, my name is C. Dale Duvall. I am honored to appear before you today as President Reagan's nominee to be Commissioner of the Bureau of Reclamation. I am the first nominee to this position to seek Senate confirmation. I welcome this opportunity to appear before you.

I am a native of the State of Washington and grew up on a dryland farm in Lincoln County. Although I spent my early years on my family farm, I later left to pursue a degree in accounting. Throughout my career, eventually as a certified public accountant, I have been involved in construction-related fields.

In my most recent position as Vice President and Treasurer of the Overseas Private Investment Corporation (OPIC), I was able to gain experience with international project development in a broad variety of areas as well. I am proud of the practical performance of OPIC. In fact, its practical approach has resulted in performance unusual in Government. OPIC returns an annual profit of some $100 million.

The Bureau of Reclamation has been one of the major construction agencies of the U.S. Government and a major partner with State and local governments in the development of the American west. I remember visiting the Columbia Basin as a child before the construction of Grand Coulee Dam and certainly appreciate the benefits which the Columbia Basin Project has provided. But as you are well aware, the mission of the Bureau is no longer limited to the delivery of water for agricultural development. Today's Bureau generates hydropower and provides water for municipal and industrial purposes.

With the support of Congress, the Bureau has modified its ultimate mission as the Nation's needs and western land and water conditions have changed. Today's Bureau of Reclamation routinely addresses environmental, conservation, wildlife, and water rights issues that were not anticipated when the Reclamation Act was passed in 1902.

Although the Bureau has made major changes over the past several years, I freely admit that there is much still to be learned. Reclamation currently faces significant challenges that must be addressed and resolved in the near future. I am not so bold as to suggest that I have any visionary solutions to the cumulative problems that have developed or evolved over the past 80 years. However, I am committed to establishing a constructive dialogue with Congress and to working closely with all affected parties at the Federal, State and private level to develop and expeditiously implement the most practical solutions possible under the law.

I am not fully convinced that we have adequately planned for the future water needs of the Nation. As the demand for quality water increases, the federal government will continue to have a role in improving surface water utilization. Our ground water resources also face increasing pressure. Reclamation is currently working in these areas and is ideally suited to carry forward federal initiatives where they may be appropriate.

I recognize that there are management and administrative challenges, opportunities, and responsibilities to be confronted as well. The Commissioner must encourage improved water conservation practices at every user level. As a certified public accountant and as the current chief financial officer of a federal agency, I appreciate the necessity for tight federal budget restrictions and understand the importance of balanced project financing by those who benefit from the projects.

I look forward to accepting the challenging position of Commissioner of Reclamation. To effectively meet the challenges which this job presents, I will need your continued interest and support. I seek your confidence so that we may plan and establish balanced programs that will address the problems of the West and the Nation. I will be receptive to your observations, counsel, and constructive criticism. I will conduct all Bureau affairs within the body of law that governs Reclamation. I will work, to the fullest extent of my energy, to wisely develop, protect, and conserve the natural resources of America.

Senator EVANS. Thank you. You have taken on a responsibility at a particularly interesting and maybe challenging time, I think, in our Nation's history. Energy has long held center stage. We have talked about and dealt with shortages of energy and rapid changes in the price of energy.

I for one, at least, feel that we are far more likely by the turn of the century to have ample energy at reasonable prices than we are to have ample water at reasonable prices, and perhaps water is going to prove to be tomorrow's equivalent of yesterday's energy shortage and energy crisis. So you take on responsibilities at a particularly interesting time.

Do you have any overall view of that possibility and the potential? We are already running up against some severe water shortages and increasing conflicts between alternative water users. First, would you care to give the committee your view as you see it of the current circumstances in terms of water supply and what we are likely to face in the course of the next decade or so?

Mr. DUVALL. Mr. Chairman, I would certainly agree with your observations about the fact that looking into the crystal ball of the future, there may very well be serious shortages forthcoming, particularly in the more arid regions of the West in the area of water, and the evidence of that forthcoming shortage is exemplified by the fact that, as populations shift in this Nation, the water utilization and the quantity of water as well as the quality of water that is necessary in order to service that population move as the Nation grows into those more arid regions.

Senator EVANS. Someone suggested both inside and outside of Congress that, given that potential in the future, we need to first move toward a stronger cost-sharing process in terms of reclamation development, that perhaps, as you have pointed out, we have encouraged the use of water to bring flourishing farms to once arid lands. Now we may have too much.

What are your views on that question of cost sharing, both its current levels and the potential of increased cost sharing of those who receive the benefits of reclamation produced water?

Mr. DUVALL. Mr. Chairman, I presume that when you are speaking of cost sharing, you are talking about up-front cost sharing.

Senator EVANS. Both up-front cost sharing and the degree to which we tend to subsidize water, either by no interest or very low interest activities, and in the water charges we make on farmers which only partially cover the cost of delivering water.

Mr. DUVALL. I will first address the issue of cost sharing. This administration has in a wide variety of areas encouraged formation of partnerships with non-Federal financing of project development. That is not a program that has been limited to the Bureau of Reclamation, but it has been implemented at the Bureau of Reclamation and is evidenced in a number of the projects that are in the later stages of planning at this point. It has also been implemented in respect to the funding of planning itself.

As far as the cost repayment programs, which is where the matters of interest to the agricultural irrigation projects are involved, there are a wide variety and a distinctly varied number of types of cost repayment that are being implemented, and all of those seem to be receiving a considerable amount of attention in the present Bureau and, I can assure you, will continue to receive high priority if I am confirmed.

Senator EVANS. One of those proposals is most current. In the last meeting of this committee, we took up the Small Reclamations Project Act or a change in that act, and one of the suggestions made was that any deficiency or deficit in operation and maintenance costs ought to be funded at current interest rates.

I do not know if you have had a chance to examine that and have any comment on that, rather than below current interest rate charges that to the degree they are not even meeting operation and maintenance costs, that that should be carried at current interest rates.

Mr. DUVALL. The hearing that you are referring to, Mr. Chairman, was a very recent hearing——

Senator EVANS. Yes, I know it was.

Mr. DUVALL. I was not present at that hearing and have not yet seen a transcript of it. The question of subsidized interest rates is an age-old problem that has been addressed numerous times by this committee and the correlative committee in the House of Representatives. The question of present value interest rate as opposed to a specified or a statutory rate has been debated extensively.

At the present time it is my understanding that the Bureau is following the statute as it has been handed down to us, and I share your interest and the committee's interest in analyzing and looking at the issues to see if there is a better way to do it, and if this is the proper time to do it.

Senator EVANS. I would agree. It was a very recent proposal, but I am sure there will be plenty of opportunity. That will be one of the array of proposals, I suspect, that will come along.

In fact, another one, which again you may not be prepared at this time to respond to, but someone suggested that it does not make much sense for us to make an investment at the Federal level in extensive new irrigation projects only to have them bring water to land which is then used to farm crops which are in surplu. and which the Federal Government has to pay for again in terms of those surplus crops that may come under one or another of the farm programs.

Some have suggested that we ought not to engage in new irrigation projects that are utilized to grow crops that are in surplus. Is that a feasible or even reasonable proposal?

Mr. DUVALL. It is again, Mr. Chairman, one of those issues that is receiving a lot of attention, both on the Hill and at the Bureau of Reclamation, and I would say the jury is still out on the proper way of defining how the future developments sponsored by the Bureau of Reclamation will address the issue of surplus crops. It is certainly a difficult issue, and it is one that perhaps runs counter to some of the long-term commitments that have been made down through the years with the different States that have entertained Bureau developments. So it is such a difficult issue, that perhaps even when it is ultimately resolved, there will not be a lot of popularity for the decision that is rendered.

Senator EVANS. I suspect that is an understatement.

I should correct one. I made a misstatement when I talked about the current interest rates relating to the Small Reclamation Project Act. It was actually the Central Valley project, and we had hooked those two bills together during the course of the last hearing.

To what degree does the Bureau of Reclamation currently engag. in concerns over drainage or the discharge of waters from irrigation projects, especially in terms of the quality of that water and the effect of either drainage or discharge on downstream or other people or interests?

Mr. DUVALL. From a technical standpoint I am not sure what the answer would be. If I were drawn into a legal definition, not being an attorney, it would be difficult for me to address the question without perhaps exposing myself or the Bureau or the Federal Government——

Senator EVANS. Since I am not an attorney, I would not know how to ask it in a legal way, either.

Mr. DUVALL. The issue of downstream drainage is an issue that the Bureau has come to grips with in the past and certainly is going to have to exercise more future concern with. Traditionally, down through the years, the concern seems to have been more addressed toward salinity and then, with some of the more recent revelations, on selenium problems. The risks and the damage to the ecoculture is so much more dramatic with some of the more recent discoveries associated with drainage control and drainage disposition that it is commanding more attention. It has to receive even more attention, and perhaps will even require Federal funding in order to resolve some of the problems that have cumulatively developed over the utilization of water projects that the Federal Government funded as long as 75 years ago.

The second point I would make, or the last part of the response that I would give, is that water is water. To the extent that it can be recycled and reused, it seems to me that such a practice is part of good water conservation and good water utilization. As many times as the Bureau can find a way of regenerating water and recycling it, that is consistent with looking at drainage water as being a resource wherever possible.

Senator EVANS. To what degree is the Bureau of Reclamation responsible, in your view, for research or activity relating to correct-

ing some of the problems that are now beginning to crop up? You mentioned selenium as a relatively new one. Is that clearly a Bureau of Reclamation responsibility in your view? Is that something that other agencies or other parts of the Federal Government have shared responsibilities fo: .

Mr. DUVALL. I think that the selection issue is a Department-wide concern because it involves the interests and concerns of a number of different bureaus and agencies at the Department of the Interior.

I know it is being addressed at a higher level than the Bureau of Reclamation at this time. Where will the ultimate responsibility for the resolution of these problems be assigned? Where will programmatic control of corrective solutions land? I am not presently aware of where it will be assigned. I do know that the Bureau is participating in some manner in trying to identify the solution.

Senator EVANS. I have one further question from Senator McClure. Section 210 of the Colorado River Basin Act of 1968, as amended in part reads as follows:

> For a period of 10 years from the date of enactment of the Reclamation Safety of Dams Act of 1978, any Federal official shall not undertake reconnaissance studies of any plan for the importation of water into the Colorado River Basin from any other natural river drainage basin lying outside of the States of Arizona, California, Colorado, New Mexico, and those portions of Nevada, Utah, and Wyoming which are in the natural drainage basin of the Colorado River.

I am sure that being from our own Pacific Northwest, you are familiar with this statute, often called the Columbia Snake River diversion moratorium, although the names Columbia River and Snake River do not appear. Mr. Duvall, how would you interpret this so-called moratorium? The Chairman asked that question as well as I could have asked it myself. [General laughter.]

Mr. DUVALL. In respect to Senator McClure, who is not here, I have understood his sentiments and have for many years been aware of the existence of this law. I consider it to be illegal for myself or the Bureau of Reclamation to be considering interbasin transfers from the Pacific Northwest. So I really haven't given too much thought to the diversion moratorium other than to recognize that, thank heaven, that is not one problem that I have to address immediately.

Senator EVANS. Not yet, but it is an act of 1978. In 10 years it will run out, perhaps while it is still on your watch. Although today you do not have to worry about it, you may have to shortly.

One final question on conservation. To what degree do you feel the Department or the Bureau has responsibilities for conservation and investigation as to new methods of application of water that would result in conservation or the potential alternative utilization of current water supplies within reclamation projects?

Mr. DUVALL. To the extent that there is a Federal presence within water development, then, in my judgment, one of the more efficient things that the Bureau can do is to address water conservation. There are very few losers in better water utilization or in improved conservation practices because it delivers more water and it retains more water for ultimate use.

I consider it to be a very high priority on my watch.

Senator EVANS. Senator Murkowski?

Senator MURKOWSKI. I have no questions.

Senator EVANS. Thank you very much, Mr. Duvall. We look forward to working with you. I know that during the course of the next several years there are going to be very many important items, and, in fact, the Bureau may find that it has a potential for rather dramatic new roles and new responsibilities during that period of time. We hope that we will be able to move promptly on confirmation through the Senate.

Now, I would like to turn to my colleague, Mr. Murkowski, for the next nominee.

Senator MURKOWSKI [presiding]. Thank you, Senator. I would call Mr. James R. Richards, from Virginia, the nominatee to be Inspector General, Department of the Interior, and I am going to ask Mary L. Walker of Maryland to come also to the witness stand, because I intend to expedite the balance of the hearing because of time commitments that I have. I want to wish you both a good day, and I would ask you would proceed.

I gather that you are the fourth nominee today, James R. Richards. You have had an extensive career in investigative and audit activities. It is my understanding that this is your second appearance before this committee. You were confirmed by the Senate in September 1981, for the current position as Inspector General for the Department of Energy. Prior to that service, you had served as general counsel and vice president of the National Legal Center for the Public Interest, vice president and legal director of Capital Legal Foundation, Director of the Office of Hearings and Appeals of the Department of the Interior, and at the Department of Justice as assistant U.S. attorney for Colorado, chief of the Buffalo, NY, Organized Crime Strike Force, and area coordinator of the organized crime section in Washington, DC.

Is that information correct?

Mr. RICHARDS. Yes, that is my checkered career, Mr. Chairman.

Senator MURKOWSKI. Well, I commend the staff. All right. And unfortunately Senator Armstrong had hoped to be here to introduce you, but because of the hopefully closing business of the Senate, which is, of course, one of the reasons why you are here this late, Senator Armstrong was unable to be with you.

He has submitted a statement and has requested that it be read into the hearing record, and this basically is a letter of introduction confirming hearings for Mr. Richards scheduled today, and a brief outline on your experience and capability for the position.

We certainly welcome on behalf of Senator Armstrong you, Jim, to the committee. On behalf of the Senator, this letter will be entered into the record as if read.

[The prepared statement of Senator Armstrong follows:]

WILLIAM L. ARMSTRONG
COLORADO

United States Senate
WASHINGTON, DC 20510

December 9, 1985

The Honorable James A. McClure
Chairman
Committee on Energy and Natural Resources
U. S. Senate
Washington, D.C. 20510

Dear Senator McClure:

Confirmation Hearings for Mr. James R. Richards are scheduled for Thursday, December 12 and I am writing to endorse his appointment as Inspector General.

Mr. Richards is currently serving as Inspector General at the Department of Energy and prior to that served very effectively in a number of responsible positions in the Federal Government. Jim has also had a long and distinguished association with Colorado. He was Legislative and Executive Assistant to my good friend, Senator Peter H. Dominick and also served as Assistant U.S. Attorney in Denver.

His legal training, investigative experience and his staff work in the Senate combine to provide Jim with outstanding qualifications for Inspector General of the Interior Department. I am pleased to recommend his appointment.

I ask that you welcome Jim to the Committee on my behalf and that my letter be included as part of the hearing record.

Best regards.

Sincerely,

Bill Armstrong

William L. Armstrong

WLA:hp

Senator MURKOWSKI. And it is time to be sworn in, sir. Would you rise and raise your right hand. The rules of the committee which apply to all nominees require that they be sworn in connection with the testimony. Raise your right hand.

[Whereupon, James R. Richards was duly sworn by Senator Murkowski.]

Senator MURKOWSKI. Please be seated.

There are four questions addressed to witnesses before this committee who are nominated for positions, and I would like to ask these questions of you.

Will you be available to appear before this committee and other congressional committees to represent the Department position and respond to issues of concern to Congress?

Mr. RICHARDS. Yes, I have and I will.

Senator MURKOWSKI. Your informational statement has been submitted to the committee. However, it is required that the statement be made public unless the committee decides that special circumstances justify an exception. Do you have any objection to the publication of your informational statement?

Mr. RICHARDS. No.

Senator MURKOWSKI. Are you aware of any personal holdings, investments, or interests that could constitute a conflict of interest or create the appearance of such a conflict should you be confirmed and assume the office to which you have been nominated by the President?

Mr. RICHARDS. No, I am not.

Senator MURKOWSKI. OK. Are you involved or do you have any assets held in a blind trust?

Mr. RICHARDS. No.

Senator MURKOWSKI. All right. You may proceed with your statement. I would appreciate if you would be inclined to summarize as much as you would care to.

STATEMENT OF JAMES R. RICHARDS, NOMINEE TO BE INSPECTOR GENERAL, DEPARTMENT OF THE INTERIOR

Mr. RICHARDS. Thank you, Mr. Chairman. My statement is on file. I just want to say in summary that for the past 4 years I have been the Inspector General of the Department of Energy, and in that capacity I have acted as the internal agency watchdog overseeing many of the varied programs of the Department, and, if confirmed, I will continue to pursue those activities vigorously at the Department of the Interior. I would be pleased to respond to any questions.

[The prepared statement of Mr. Richards follows:]

Statement of James R. Richards, Nominee To Be Inspector General, Department of the Interior

Mr. Chairman, Members of the Committee, I am pleased to appear before you today as the President's nominee for Inspector General of the Department of the Interior.

As you know, the duties and responsibilities of the Inspector General of the Department are quite specific and somewhat unique. Not only does he supervise and coordinate audit and investigative activities, but he also recommends policies and procedures for promoting economy and efficiency in the Department. The Inspector General is charged with preventing and detecting fraud and abuse in the Department's programs and in the identification and prosecution of any persons participating in fraud and abuse. He reports a summary of his activities semi-annually to the Congress and to the Secretary of Interior. The Inspector General also immediately reports particularly serious or flagrant problems, abuses or deficiencies relating to the programs and operations of the Department, to the Secretary, and within 7 days thereafter, to the Congress.

I have been a lawyer for some 25 years and have had considerable experience in major investigations involving fraud and corruption, particularly while I served with the U.S. Department of Justice in various capacities.

While an Assistant U.S. Attorney in Denver in 1969-70, I handled several grand jury investigations and trials involving Federal fraud statutes. The coordination of investigators and auditors comprised a substantial part of those efforts. While Chief of the Organized Crime Strike

FORCE IN BUFFALO, NEW YORK, I SUPERVISED AND COORDINATED AGENTS FROM A DOZEN FEDERAL AGENCIES IN INVESTIGATIONS AND TRIALS INVOLVING CRIMINAL ACTIVITIES AND CORRUPTION BY ORGANIZED CRIME. LATER, AS A COORDINATOR FOR THE ORGANIZED CRIME SECTION, I ACTED AS A TROUBLESHOOTER IN VARIOUS AREAS OF THE COUNTRY AND HANDLED SOME OF THE MORE COMPLEX INVESTIGATIONS.

I MANAGED AN OFFICE OF COMPARABLE SIZE TO THAT OF THE DEPARTMENT'S INSPECTOR GENERAL WHEN I WAS DIRECTOR OF THE OFFICE OF HEARINGS AND APPEALS AT INTERIOR DURING 1974 THROUGH JANUARY OF 1977. THAT OFFICE RESOLVED MANY ENERGY AND RESOURCE LEGAL QUESTIONS FOR THE SECRETARY OF THE INTERIOR AND HAD AN INDEPENDENT STATUS SIMILAR TO THAT OF THE OFFICE OF INSPECTOR GENERAL. THIS EXPERIENCE ALSO ALLOWED ME TO BECOME FAMILIAR WITH MANY OF THE DEPARTMENT'S PROGRAMS AND OPERATIONS.

FOR THE PAST FOUR YEARS I HAVE SERVED AS THE INSPECTOR GENERAL FOR THE DEPARTMENT OF ENERGY. IN THAT CAPACITY, I HAVE ACTED AS THE INTERNAL AGENCY WATCHDOG, OVERSEEING THE MANY AND VARIED PROGRAMS OF THE DEPARTMENT OF ENERGY TO ENSURE THAT THE POLICIES OF THESE PROGRAMS ARE CARRIED OUT EFFICIENTLY AND ECONOMICALLY AND THAT THE OPERATIONS OF THESE PROGRAMS ARE FREE FROM FRAUD, ABUSE AND WASTE.

I BELIEVE THAT DURING MY TENURE, THE PERSPECTIVE OF THE INSPECTOR GENERAL HAS BEEN INCREASINGLY ACCEPTED, RECOGNIZED AND RESPECTED BY THE MANAGERS OF THE DEPARTMENT IN

THEIR EFFORTS TO MAKE THE DEPARTMENT RUN MORE EFFICIENTLY AND ECONOMICALLY. PART OF AN INSPECTOR GENERAL'S RESPONSIBILITIES IS TO IDENTIFY MAJOR WEAK SPOTS IN PROGRAM MANAGEMENT, AND, HAVING DONE SO, TO RECOMMEND TO MANAGEMENT POLICIES AND PROCEDURES DESIGNED TO PREVENT WASTE, MISMANAGEMENT, FRAUD AND ABUSE. WORKING TOWARD THIS GOAL, I BELIEVE THAT MY OFFICE HAS MADE SIGNIFICANT CONTRIBUTIONS TO THE EFFECTIVE MANAGEMENT OF THE DEPARTMENT THROUGH THE AUDIT, INSPECTION AND INVESTIGATION REPORTS WHICH HAVE BEEN ISSUED UNDER MY DIRECTION.

IF CONFIRMED, I INTEND TO CONTINUE TO VIGOROUSLY PURSUE SUCH DUTIES AND RESPONSIBILITIES AT THE DEPARTMENT OF THE INTERIOR.

I WOULD BE PLEASED TO ANSWER ANY QUESTIONS YOU OR OTHER MEMBERS OF THE COMMITTEE MIGHT HAVE.

Senator MURKOWSKI. I have no questions. Do you have any family in the audience that we could recognize?

Mr. RICHARDS. No, just a few friends and staff.

Senator MURKOWSKI. It is nice to have your friends with you.

Mr. RICHARDS. Yes, it is nice to have friends.

Senator MURKOWSKI. It is nice to have friends. You are right. Particularly at Christmas time. I am not going to pursue this. It seems to be going too well. The staff is not handing me any questions, and obviously you are eminently qualified. You are not a novice to government, so you know what you are getting into. Oftentimes I am inclined to think that there ought to be some kind of a disclosure from those of us conducting these hearings to indicate what you are really doing, but that is certainly not necessary in your case. You have at least the company of another nominee, and I assume that you will sit there while we grill her. You can be excused if you have go to some place.

Mr. RICHARDS. Unless Mary wants some moral support, I will excuse myself.

Senator MURKOWSKI. That is between the two of you. [General laughter.]

I wish you a good day. We look forward to expediting your confirmation, and Merry Christmas.

Mr. RICHARDS. Thank you, Mr. Chairman.

Senator MURKOWSKI. Our last witness today is Mary L. Walker, and if I had been setting up the agenda, I think you would have been first just to prove that chivalry is not dead in the Senate. You have been nominated for the newly created position of Assistant Secretary for Environment, Safety and Health at the Department of Energy.

On September 18, Secretary Herrington announced a series of initiatives designed to strengthen the environmental protection, safety and health programs of the Department of Energy. One of his actions was to create the new position at that department.

The Assistant Secretary's overall responsibility will be the management of the Department's environmental and safety programs. This will involve compliance reviews with respect to existing standards and requirements, an appraisal of all Department of Energy nuclear facilities to identify health and safety risks, a baseline survey of all Department of Environment facilities to identify environmental problems, and the development of new departmental policies and standards.

The Assistant Secretary will also provide technical assistance to the Department's field operations in such areas as the new project review and liaison with States and Federal agencies.

Since June 1985, Ms. Walker has served as a consultant in the area of environmental and safety matters to Secretary Herrington. Prior to that, Ms. Walker served as the Deputy Solicitor for the Department of the Interior. In 1982, she joined the Reagan administration as Deputy Assistant Attorney General in the Land and Natural Resources Division of the Justice Department. Ms. Walker also practiced law in Los Angeles and San Francisco. She received her BA in biological science and ecology from the University of California at Berkeley, and her JD degree from Boston University Law School.

Obviously, your qualifications, Ms. Walker, are most outstanding. We will proceed now. Under the rules of the committee which apply to all nominees, I would require that you be sworn in connection with your testimony, if you would stand and raise your right hand.

[Whereupon, Mary L. Walker was duly sworn by Senator Murkowski.]

Senator MURKOWSKI. Thank you. Please be seated.

Before you begin your statement, there are the customary four questions addressed to witnesses before the committee which you have heard. I would like to ask these questions of you at this time. Would you be available to appear before the committee and other congressional committees to represent Department positions and respond to requests concerning initiatives indicated from Members of Congress?

Ms. WALKER. I will.

Senator MURKOWSKI. Your informational statement has been submitted to the committee. However, it is required that this statement be made public unless the committee decides special circumstances justify an exception. Do you have any objection to the publication of your informational statement?

Ms. WALKER. I have no objection.

Senator MURKOWSKI. Are you aware of any personal holdings, investments, or interests that could constitute a conflict of interest or create the appearance of such a conflict should you be confirmed and assume the office to which you have been nominated by the President?

Ms. WALKER. No.

Senator MURKOWSKI. Are you involved or do you have any assets currently held in a blind trust?

Ms. WALKER. No, sir.

Senator MURKOWSKI. All right. I believe that we are looking forward to your statement. You may proceed.

STATEMENT OF MARY L. WALKER, NOMINEE TO BE ASSISTANT SECRETARY, ENVIRONMENT, SAFETY AND HEALTH, DEPARTMENT OF ENERGY

Ms. WALKER. Thank you, Mr. Senator, and I would like to thank the committee for the opportunity to appear today as the President's nominee for the Assistant Secretary for Environment, Safety and Health. I am grateful to the President and to Secretary Herrington for their support, and I look forward to working with the Secretary and this committee in that position.

I will do my best to live up to the high standards that are expected of me in this role.

I would like to emphasize three points today. First, I believe my background has prepared me for this position. As you indicated, I have both scientific and legal training, and my entire experience both in the corporate, private and Government sector have been dedicated to environmental and natural resource issues. And in my Government service I have worked very hard to develop a strong Federal enforcement under the very important hazardous waste laws of our country.

I am fully aware of the responsibility that this position entails. I am aware, too, of the importance of safety and environmental considerations in DOE's necessarily complex and sometimes hazardous operations. Secretary Herrington has placed a very high priority in this area. He is committed to safe and environmentally sound operations at the Department of Energy and has undertaken certain new initiatives designed to carry that out.

Third, my philosophy is compatible with what I believe is needed here. While I would be in favor of developing our energy resources, I would want to balance that with being careful to minimize any impact on our natural environment. I do not believe these goals are incompatible, and believe they can be achieved together.

The Secretary's new initiatives are very important here in this area because they will identify potential problems in areas of environment and safety risk so that they can be headed off and dealt with before they ever become problems.

In conclusion, if I am confirmed, I am committed to carrying out the policies of the President and Secretary Herrington, and I would like to support the Secretary and the department in complying with all environmental laws and regulations and safety requirements. I will be looking forward to working with and advising the Congress and this committee and the public on DOE's progress in this important effort, and I look forward to working with you and the members of the committee in this effort.

Thank you.

[The prepared statement of Ms. Walker follows:]

STATEMENT OF MARY L. WALKER, NOMINEE TO BE ASSISTANT SECRETARY, ENVIRONMENT, SAFETY AND HEALTH, DEPARTMENT OF ENERGY

Mr. Chairman, Members of the Committee:

I welcome this opportunity to appear before you as President Reagan's nominee for Assistant Secretary for Environment, Safety and Health of the Department of Energy.

If confirmed, I look forward to serving Secretary Herrington and to being a part of this important effort at the Department. Secretary Herrington has placed a high priority on assuring the Department's operations are safe and environmentally sound. This is my commitment as well. I am fully aware of the significant duties and responsibilities that accompany this function within the Department of Energy and will do my best to live up to the high standard expected of me. I am very interested in your views and suggestions, too, and will endeavor to be responsive to them.

Personal Qualifications:

My entire career thus far has been spent dealing with environmental, land use and natural resource issues. Through a variety of positions, I have gained experience in government service and corporate and private practice.

My education is in biology/ecology and law. My B.A. was obtained from the University of California at Berkeley in 1970. I attended UCLA and Boston University Law Schools, receiving my J.D. from the latter in 1973. I have been a member of the California Bar since 1973.

My first position after law school was as an attorney with the Southern Pacific Transportation Company in San Francisco. In the early 1970's the corporate world was awakening to the then emerging environmental and natural resource laws and issues. I handled these matters for Southern Pacific and its diverse subsidiaries, including railroad, pipeline, trucking, communications and land companies. The problems we faced then

included those dealing with air, water and soil. In addition, worker and public safety was considered hand in hand with environmental protection.

In 1976, I joined the Los Angeles law firm of Richards, Watson, Dreyfuss & Gershon. I became a partner in January 1979. While I was in private practice, I advised individual, corporate and local government clients on land use and environmental issues, including compliance with environmental and land use laws and regulations. In many instances I drafted and defended ordinances for the Southern California cities we represented. I also helped form the Southern California Joint Powers Insurance Authority, whereby several cities became self insurers of their risks.

I joined the Reagan Administration in 1982 as a Deputy Assistant Attorney General in the Land and Natural Resources Division of the Department of Justice. In this position I had responsibility for three major sections, including the federal government's civil and criminal environmental litigation. I supervised 2,500 cases and matters, including some for the Department of Energy, and over 100 staff. In the course of these duties, I worked closely with EPA and its Regional Offices to develop a strong federal enforcement program under the new hazardous waste laws.

In 1984, I became the Deputy Solicitor of the Department of the Interior under William Clark. I provided the Secretary and program managers with advice on many diverse issues, including natural resources, land use and environmental compliance. I was also Project Director for the Interior Department's team writing the natural resource damage regulations under Superfund. In the course of my duties as the Deputy Solicitor, I supervised over 400 staff and eight Regional Offices.

I believe my training and experience in a wide variety of positions requiring a knowledge of environmental and safety matters, as well as management and administrative skill, will enable me to effectively discharge the responsibilities of the position of Assistant Secretary for Environment, Safety and Health.

The Role of Assistant Secretary for Environment, Safety and Health and Philosophical Approach:

Because the operations of the Department of Energy are necessarily complex and hazardous, the principal advisor to the Secretary for environmental and safety matters has a great responsibility. While ensuring that the Department's operations are safe and environmentally sound is the responsibility of every employee, the advice, technical assistance and oversight functions that the Assistant Secretary for Environment, Safety and Health will have are critical to ensuring a uniform Department-wide approach to environmental and safety requirements and a consistency in compliance.

I believe in the wise use of our resources. We should strive to achieve economic development of our energy resources, while at the same time, being careful to minimize any impact on our natural environment. Development of our resources and protection of our environment are not, in my view, inconsistent. In order to be good managers, using the resources we have most effectively, we must know the scope of our existing and potential environmental and safety problems and the priorities among them. We can then be in a position to correct what is wrong in the proper order, giving our first attention to the most critical problems. Through careful and consistent audits and appraisals, we can also take steps to reduce any potential risks. Good safety and environmental performance should be recognized and rewarded as an essential component of good management. If confirmed, I would do my best to advise and assist the Secretary

and the Department in complying with all environmental and safety requirements and in reducing any areas of identified risk.

Secretary Herrington has recently announced his intention to strengthen the environmental and safety functions within the Department. His plan includes a stronger organization, as well as certain new initiatives. These include an Environmental Survey of the Department's facilities and technical safety appraisals of nuclear facilities in order to provide baseline data from which to plan and design necessary corrective measures. A computer assisted tracking system will be used to monitor progress and to assess risks. If confirmed, I will, to the best of my abilitites, carry out the policies of the President and Secretary Herrington. It has been an honor to serve the Administration in these last and several years. I look forward to being a part of Secretary Herrington's team in this important effort at the Department of Energy. I also look forward to working with you, Mr. Chairman, and the Members of the Committee.

Thank you.

Senator Murkowski. Thank you very much, Ms. Walker. I want to compliment you very much on your excellent qualifications. The fact that Secretary Herrington has supported your nomination by the President, I think, speaks for itself. There may be some questions that will be addressed from committee members to you, but I have no questions at this time.

The members have until the close of business today to submit written questions to any of the nominees. Do you have anyone who is with us today that you would like to recognize?

Ms. WALKER. I have several friends that I am very thankful are here, but I think I will save the committee's time and merely acknowledge them.

Senator Murkowski. We do welcome your several friends which I assume is everybody on that side of the aisle.

Ms. WALKER. Thank you.

Senator Murkowski. We wish you a good day. Thank you for your presentation. We wish you a merry Christmas, and we will look forward to expediting the confirmation process.

The committee hearing is closed. The record will remain open for the balance of the day for the submission of additional questions. Thank you.

[Whereupon, at 11:15 a.m., the hearing was adjourned.]

APPENDIXES

APPENDIX I

Biographies and Informational Statements of the Nominees

GERALD R. RISO

Mr. Riso is currently Assistant Secretary (Designee) of the Department of the Interior for Policy, Budget and Administration. Much of his professional career has been in management consulting, during which time he has served a wide variety of U.S. and international clients. A significant part of his consulting practice has been in strategic planning, organization planning, and cost reduction for both public and private organizations.

Most of Mr. Riso's career has been with Booz, Allen and Hamilton, where he began as a consultant and then became a Vice President in New York, San Francisco, and then Washington, D.C. Mr. Riso has also been a partner of Touche Ross and Co., and most recently a Vice President with Korn/Ferry International.

Mr. Riso also has held several senior management positions within the federal government. From 1970-1972 he was Deputy Assistant Secretary for Health and Scientific Affairs at the then Department of Health, Education and Welfare; and from 1982-1984, he served as Deputy Commissioner of the Immigration and Naturalization Service within the Department of Justice.

Mr. Riso received a BA in Political Science from Lafayette College in 1953 and an MGA from the Wharton School, University of Pennsylvania, in 1956.

He is listed in Who's Who in America.

Mr. Riso is married and has four children.

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: RISO (LAST) GERALD (FIRST) RALPH (OTHER)

Position to which nominated: Assistant Secretary - Policy, Budget & Administration, USDOI

Date of nomination: OCT 18, 1985

Date of birth: 31 (DAY) 1 (MONTH) 30 (YEAR)

Place of birth: New York, New York

Marital status: Married

Full name of spouse: Erna Annalei Laaksonen Riso

Name and ages of children: Rhea L. Messey - 28; Alison - 19; Gerald R. - 25; Mark R. - 23

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Lafayette College Easton, PA	1950-1953	BA	1953
Wharton Grad. School U. of Pennsylvania	1956	MGA	1956

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.

1957-61-Asst.Village Mgr., Scarsdale, NY - Municipal Mgmt.

1961-63-City Administrator, Englewood, NJ

1963-70-Consultant; VP,Booz, Allen & Hamilton - Management Consulting - Business/Public Organizations

1970-71 Dep.Asst.Secretary - Health, HEW, Washington, D.C.

1971-73-Dep.Administrator, Health Svcs. & Mental Health Adm Director of Federal Health Systems Grants

1973-74-Managing Dir., Knight, Gladieux, Smith, New York, National Management Consulting Firm

(SEE OVER FOR CONTINUATION)

Employment record: (Continued)

1974-77-Managing Dir., American Lung Assoc., New York, Leadership of national research firm in prevention/ care of lung disease

1977-78-Partner, Touche, Ross & Co., New York, Consulting to public/private organizations

1978-82-VP, Booz, Allen & Hamilton, New York, Health Care Strategic Planning

1982-84-Dep.Commissioner, Immigration & Naturalization Svc. Washington, D.C.

1984-85-VP, Korn Ferry, New York, Health Care Executive Search

JUNE 1985-Present - Principal Deputy Assistant Secretary, Policy, Budget & Administration, U.S. Dept. of the Interior, Washington, D.C.

58-093 O - 86 - 3

Employment record—Continued

Military service: Describe any military service not listed above, including dates, rank, and type of discharge.

1953-55 - US Army (Counter-Intelligence Corp - CIC)

CPL - Honorable Discharge 1955

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

FELS Scholar - Wharton Graduate School

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
Cmte. on Neurological Research	1984	Board Member
American Hospital Assoc.	1984-85	Member
American Society for Public Administration	1960-70	Member
Town Club Scarsdale, NY	1970-80's	Member
Intl. City Managers Association	1950's	Member
Richmond Fellowship New York	1976-77	Board Member

Published writings:

List the titles, publishers and dates of any books, articles, or reports you have written.

None

Future employment relationships

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

Severed ties to Korn Ferry in May of 1985

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

NO

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

NO

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

N/A

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

NO

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm membe ships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

NONE

3. Are you currently a party to any legal action? If so, describe its nature and status.

NO

4. Have you ever declared bankruptcy? If so, describe the circumstances.

NO

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

YES

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

YES, in 1981 -- Energy deduction disallowed. Refund reduced by approximately $180.00.

Potential conflicts of interest:

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

NONE

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

NONE

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

NONE

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

YES

Potential conflicts of interest—Continued

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

Not aware of any conflicts based on a Departmental review of my financial holdings and prior business interests.

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

Since I have been designated the Agency Ethics Official, all questions involving myself will be referred for review and decision by the Under Secretary. In the event that a firm with whom I was formerly associated is conducting business with the Department or wishes to do so, I will make my prior association known and will consider recusing myself from contractual decisions affecting them, if it appears appropriate. (Continued on reverse side)

Public disclosure

Do you have any objections to this form and the attachments thereto being made public?

NO

AFFIDAVIT

I, GERALD P. RISO, being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

Gerald P. Riso
(Signature of Nominee)

Subscribed and sworn to before me this 12 day of December, 1985

Barbara Riedl
Notary Public

Form approved by the Committee February 5, 1985.

U.S. GOVERNMENT PRINTING OFFICE: 1985—43-095

6. (Continued)

My associations with two consulting firms most likely to be seeking business with the Department of the Interior ended in 1978 (Touche-Ross) and in 1982 (Booz, Allen & Hamilton).

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

December 9, 1985

The Honorable James A. McClure
Chairman, Committee on Energy and
Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Pursuant to Section 201(b) of the Ethics in Government Act of 1978, as amended, I hereby certify and report that the information required by Section 202(a)(1)(A) with respect to earned income and honoraria, as set forth in my Financial Disclosure Report (SF-278) dated July 10, 1985, is current as of December 9, 1985. I further certify that I have transmitted copies of this report to the Office of Government Ethics.

Gerald R. Riso

Washington)
District of Columbia) ss

Subscribed and sworn before me on this 9th day of December, 1985.

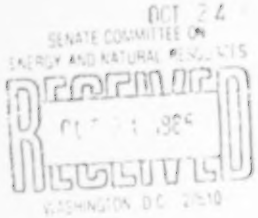
Barbara Riehl
Notary Public

My commission expires: March 30, 1986

cc:
The Honorable J. Bennett Johnston

United States of America
Office of Government Ethics

Office of Personnel Management
Washington, D.C. 20415



Honorable James A. McClure
Chairman, Committee on Energy and
Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Gerald R. Riso, who has been nominated by President Reagan for the position of Assistant Secretary-Policy, Budget and Administration, Department of the Interior.

We have reviewed the report and have also obtained advice from the Department of the Interior concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. Based thereon, we believe that Mr. Riso is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David H. Martin
Director

Enclosure

Financial Disclosure Report

JUL 11 1985 ETHICS OFFICE

Reporting Status (Check Appropriate Box)			OGE Use Only
[ ] Incumbent	[X] New Entrant, Nominee or Candidate [ ] Termination Filer		
Reporting Individual's Name	Last Name: RISO	First Name and Middle Initial: GERALD R.	Date of Appointment, Nomination, or Election (Mo., Day, Yr.): October 21, 1985
Position for Which Filing	Title of Position: ASSISTANT SECRETARY - Policy, Budget and Administration	Department or Agency (If Applicable): U.S. DEPARTMENT OF THE INTERIOR	Termination Date (If Applicable) (Month, Day, Year):
Location of Present Office	Address (Number, Street, City, State and ZIP Code): 18TH AND C STREETS N.W. WASHINGTON, D.C. 20240	Telephone No. (Include Area Code): (202) 343-4332	
Position(s) Held With the Federal Government During the Preceding 12 Months (If Not Same as Above)	Title of Position(s) and Date(s) Held: None		

Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination: SENATE ENERGY AND NATURAL RESOURCES COMMITTEE	Do You Intend to Create a Qualified Diversified Trust? [ ] Yes [X] No

Certification: I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	Signature of Reporting Individual: Gerald R. Riso	Date (Month, Day, Year): 7/10/85
Other Review (If desired by agency)	Signature of Other Reviewer: Gabriele J. Pasma, Deputy A[illegible] Ethics Official	Date (Month, Day, Year): 7/11/85
Agency Ethics Official's Opinion: The information contained in this report discloses no conflict of interest under applicable laws and regulations.	Signature of Designated Agency Ethics Official (or Designee): Richard R. Hite	Date (Month, Day, Year): 7-11-85
Office of Government Ethics Use Only	Signature:	Date (Month, Day, Year):

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

[Check box if comments are continued on the reverse side] [ ]

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A, C, and D. (Candidates do not file Part II of Schedule D.)

- **Schedule A**—The reporting period for Income (BLOCK C) and Transactions Test (BLOCK D) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

PREVIOUS EDITION USABLE

SF 278 Rev. (06)
5 CFR Chapter XVI
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0001

Reporting Individual's Name	Assets and Income	Page Number		Schedule A
GERALD R. RISK			1	

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to: employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. **Exclude** your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income; only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources (Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐)	BLOCK B Valuation of Assets — Category of Value (X): None (or less than $1001) / $1,001 - $15,000 / $15,001 - $50,000 / $50,001 - $100,000 / $100,001 - $250,000 / Over $250,000	BLOCK C Income — Type of Income (X): Dividends / Rent / Interest / Capital Gains / Excepted Trust / Qualified Trust / Other (Specify Type)	BLOCK C Income — Category of Amount of Income (X): None (or less than $201) / $201 - $1,000 / $1,001 - $2,500 / $2,501 - $5,000 / $5,001 - $15,000 / $15,001 - $50,000 / $50,001 - $100,000 / $100,001 - $1,000,000 / Over $1,000,000	BLOCK C Income — Actual Amount Only if "Other" Specified	BLOCK C Income — Date (Mo., Day, Yr.) Only if Honoraria	BLOCK D Transactions Test (If yes, complete Sched. B Part I for those assets including those sold for a loss): YES / NO
EX Exempt: X Y Z Common; Doe Jones & Smith, Hometown, USA	*	X	*			
1 IRA - SCARSDALE NAT'L BANK 301-0009404	X	X	X	$50,000		
2 IRA - SCARSDALE NAT'L BANK - 301-0009412	X	X	X			
3 IRA MERRILL LYNCH $288,539	X	X	X			
4 S IRA MERRILL LYNCH $288,540	X	X	X			
5 SAVINGS ACCOUNT SCARSDALE NAT'L 301022621	X	X	X			
6 CHARTER LIFE INS. OF NY 83A10613	X	Annuity '89	X			
7 MONARCH INS. LD0620082	X	Annuity '89	X			
8 BOND - NY MUN. ASST CORP HH107316	X	X	X			
9 HOLIDAY ASSOC. OF DALLAS	X	X	X			
10 MERRILL LYNCH MONEY MARKET 52816993	X	X	X			

PREVIOUS EDITION USABLE

278-200

SF 278 (Rev. 1/95)
Filing Copies Of:
U.S. Office of Personal Management

Form Approved
OMB No. 3209-0001

Reporting Individual's Name	Assets and Income	Page Number	Schedule
GERALD R. RISO		2	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal business and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

	BLOCK A Assets & Income Sources Identify each asset and income source of yours, your spouse(S) and your dependent child (DC) NONE ☐		BLOCK B Valuation of Assets Category of Value (X)							BLOCK C Income Type of Income (X)							Category of Amount of Income (X)									BLOCK D Transactions Test If yes, complete Schd. B Part I for those assets including those sold for a loss	
	S or DC	Examples	None (or less than $1001)	$1,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $250,000	$250,001 $500,000	Over $500,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101 $1,000	$1,001 $2,500	$2,501 $5,000	$5,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $1,000,000	Over $1,000,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	YES	NO
		X Y Z Common																										
		Doe Jones & Smith, Hometown, USA			X					X									X									
1	DC	CD SCARSDALE NAT'L BANK. (ALISON)		X								X						X										
2		SHANNER TYMESHARE SHANNER, PA			X								X				X											
3		HIGH FERRY INT'L NEW YORK														COMMISSION									$115,000			
4																												
5																												
6																												
7																												
8																												
9																												
10																												

PREVIOUS EDITION USABLE

278-209

SF 278 (Rev. 7/92)
5 CFR Chapter XIV
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0060

Reporting Individual's Name:
GERALD P RISO

Page Number	1	Schedule B

Part I
Transactions

Incumbents and Termination Filers only. Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE [X]

	Exam-ple	Identification of Assets	Type of Transaction (X)				Amount of Transaction (X)					
			Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	$1,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	$100,001 - $250,000	Over $250,000
	EX.	X + Z Common	X			2/1/93		X			
1											
2											
3											
4											
5											
6											

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only.

For the source, a brief description and the value of: (1) any gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE [X]

	Exam-ples	Source (Name and Address)	Brief Description	Value
		Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/93	$500
		Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1				
2				
3				
4				
5				
6				

PREVIOUS EDITION USABLE

FR 10

SF 278 (Rev. 1/95)
Fifth Chapter Ed.
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Reporting Individual's Name:
GERALD R. RISO

Page Number	1	Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. **Exclude** a mortgage on your personal residence unless it is rented out; loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☒

	Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X) $10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
1	Example: First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs.			X		
2	Example: John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
3										
4										
5										
6										
7										

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for: future employment; leaves of absence; continuation of pay by a former employer (including severance payments); or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☒

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, USA	1/75 on partnership agmnt

PREVIOUS EDITION USABLE

278 (18)

SF 278 (Rev. 1/95)
5 CFR Chapter XIV
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0007

Reporting Individual's Name:
GERALD R. RISO

Page Number	1	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	8/82	8/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/75	11/83
	HORN FERRY INT'L. 237 PARK AVE, NY, NY 10017	EXECUTIVE SEARCH	VICE PRES. - PARTNER	3/84 - 9/90	5/85
	NAT'L COUNCIL ON RESEARCH - WASH. D.C.	NON-PROFIT - SCIENTIFIC	BOARD MEMBER	10/84	6/85

Part II
Compensation in Excess Of $5000 Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☒

	Source (Name and Address)	Brief Description of Duties
Examples	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
	MEMORIAL HOSP. - SOUTH BEND, INDIANA	SEARCH - VP FOR PLANNING
	GREATER SOUTHEAST COMMUNITY HOSP. - WASH. D.C.	SEARCH - VP FOR FINANCE
	AMERICAN OPTOMETRIC ASSOC. - WASH. D.C.	SEARCH - EXECUTIVE DIRECTOR
	KF ENTERPRISES, NEW YORK, N.Y.	SEARCH - VP FOR FINANCE
	NY HEALTH + HOSPITAL CORP. NEW YORK, N.Y.	SEARCH - PRESIDENT BELLEVUE HOSPITAL
	AMERICAN MEDICAL INTERNATIONAL, BEVERLY HILLS, CA	SEARCH - REGIONAL EXECUTIVE VICE PRES.

PREVIOUS EDITION USABLE

278-108

SF 278 (Rev. 10/91)
FPM Letter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0087

Reporting Individual's Name
GERALD RISO

Page Number	2	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any nonprofit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/75	11/83
1	SEE PAGE 1 OF SCHEDULE D				

Part II
Compensation in Excess Of $5000
Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☐

	Source (Name and Address)	Brief Description of Duties
Examples	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
1	SYNCOR, LOS ANGELES CALIFORNIA	SEARCH - VP MARKETING

PREVIOUS EDITION USABLE

278 (10)

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

July 25, 1985

Mr. David H. Martin
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington, D.C. 20044

Dear Mr. Martin:

The enclosed financial disclosure report filed by Mr. Gerald R. Riso for the position of Assistant Secretary-Policy, Budget and Administration, U.S. Department of the Interior has been reviewed in compliance with 5 CFR §734.604(a). In addition to the standard conflict of interest prohibitions in 18 U.S.C. §§201-209, the Assistant Secretary-Policy, Budget and Administration is also subject to several prohibitions that apply only to employees in our Department. These additional prohibitions are 18 U.S.C. §437; 30 U.S.C. §9; 30 U.S.C. §1211(f); 43 U.S.C. §11 and 43 U.S.C. §31a. Except for 30 U.S.C. §1211(f), the provisions of each of these statutes is extended to the Assistant Secretary-Policy, Budget and Administration by Department regulations in 43 CFR Part 20. The provisions of 30 U.S.C. §1211(f) apply directly to all Federal employees, including the Assistant Secretary-Policy, Budget and Administration, U.S. Department of the Interior, who perform functions under the Surface Mining Control and Reclamation Act of 1977.

I have compared each reported interest to the provisions cited and I have determined that the information discloses no conflict of interest or prohibition under the applicable statutes and regulations.

The IRA with Searsdale National Bank consists of a long term certificate of deposit and the IRAs with Merrill Lynch consist of real estate trusts. None of the Individual Retirement Accounts are personally managed by Mr. Riso. Holiday Associates of Dallas is a limited partnership interest in a hotel and the investment currently provides no income. The bond interest in New York Municipal Assistance Corporation is a tax-exempt municipal bond.

My review of the other items reported by Mr. Riso reveals no problem with any applicable conflict of interest statutes or regulations. Please call me at 343-5916 should you have any questions.

Sincerely,

Gabriele J. Paone

Gabriele J. Paone
Acting Designated Agency Ethics Official

cc:
Mr. Riso
Mr. Garrett
bcc:
Chron
File

PBA:GPaone:Me:343-5916:07:25:85:

U.S. Department of Energy
Assistant Secretary for
Congressional, Intergovernmental
and Public Affairs
Office of Public Affairs
Washington, D.C. 20585
202/252-5644

BIOGRAPHY

DONNA R. FITZPATRICK

Donna R. Fitzpatrick was appointed Acting Assistant Secretary for Conservation and Renewable Energy, U.S. Department of Energy (DOE), on March 11, 1985. In this position her responsibilities include management of research and development programs in energy efficiency and alternative fuels for industry, buildings, and vehicles. The programs in renewable energy resources involve research in active and passive solar, photovoltaic, wind, ocean thermal, geothermal, and biomass technologies. In addition, she administers federal grant programs for low-income home weatherization and energy efficiency improvements in schools and hospitals, and coordinates management of three of the five federal power marketing administrations. Miss Fitzpatrick had served as the Principal Deputy Assistant Secretary since January 1984.

In 1983, Miss Fitzpatrick served on a consultant team for the Secretary of Energy to conduct a general review of the Department's conservation and renewable energy programs, focusing on policy, program goals and priorities, budget levels, and new initiatives. In 1980, she served the Office of the President-elect as a member of the Transition Team for the National Science Foundation, reviewing national policy in basic science research, project efficiency, funding, and proposed legislation.

In her law practice, first with the Washington, D.C., firm of O'Connor and Hannan and then as a sole practitioner, Miss Fitzpatrick worked extensively on real estate development, helping to coordinate public and private interests and activities where Federal and District of Columbia involvement was required. This included work with local utilities and engineering planners to determine the legal, economic, and technical feasibility of various energy options, such as solar, cogeneration, and an on-site power generation and district heating system for large scale, high density residential and commercial uses.

Miss Fitzpatrick is also experienced in civil litigation, including administrative law and contracting issues.

Miss Fitzpatrick received a Bachelor's degree in physics cum laude from the American University in 1972. After teaching high school chemistry and mathematics, she entered law school and graduated from the National Law Center of George Washington University in 1980.

March 1985

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: FITZPATRICK (LAST) DONNA (FIRST) ROSE (OTHER)

Position to which nominated: Assistant Secretary, Conservation and Renewable Energy

Date of nomination: July 31, 1985

Date of birth: 09 (DAY) 05 (MONTH) 48 (YEAR)

Place of birth: Washington, DC

Marital status: Single

Full name of spouse: N/A

Name and ages of children: N/A

Education:

Institution	Dates attended	Degrees received	Dates of degrees
American University Washington, DC	1968-72	B.A. (Physics)	1972
National Law Center George Wash. University Washington, DC	1976-80	J.D.	1980

Employment record

List below all positions held since college, including the title and description of job, name of employer, location, and dates.

1. Faculty Member, Georgetown Visitation Prep. School, Wash., DC
   Taught chemistry and mathematics, 1972-74
2. Faculty Member, Academy of the Sacred Heart, Bloomfield Hills, MI
   Taught chemistry, mathematics, physical science, 1974-76
3. Legal Assistant, O'Connor & Hannan, Washington, DC, 1976-1980
4. Associate Attorney, O'Connor & Hannan, Washington, DC, 1980-1983
5. Attorney, sole practitioner, Washington, DC, 1983-84
6. Consultant, U.S. Department of Energy, Washington, DC, 1983-84
7. Principal Deputy Assistant Secretary, U.S. Department of Energy, 1984-Present (Office of Conservation and Renewable Energy)
8. Acting Assistant Secretary, Office of Conservation And Renewable Energy, 03/85 - Present

*Employment record - Continued

Military service: Describe any military service not listed above, including dates, rank, and type of discharge.

NONE

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

NONE

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
American Bar Association	1980-Present	None
DC Bar Association	1980-Present	None
Fairway Lake Homeowners' Association, Inc.	1980-Present	Director & VP 1982-85
American Security Council	1983-Present	None
George Washington University Alumni Assoc.	1980-Present	None
Georgetown Visitation Alumnae Assoc.	1983-Present	Endowment Fund Chairman, 1982-85

*Published writings: List the titles, publishers and dates of any books, articles, or reports you have written.

None

Future employment relationships:

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

N/A

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

No

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

No

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

N/A

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

Fee anticipated for legal services as a sole practitioner:

Estate of Catherine Jarboe - $5,001 - $15,000

Estate of Marilynne Slentz - 5,001 - 15,000

Estate of Florence Clark - 2,501 - 5,000

Payments anticipated prior to February 1986.

3. Are you currently a party to any legal action? If so, describe its nature and status.

No

4. Have you ever declared bankruptcy? If so, describe the circumstances.

No

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

Yes

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

No

Potential conflicts of interest:

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

From 1977 to 1982, as an employee of O'Connor & Hannan, I participated in representation of the Capitol Gateway Corp. before the Departments of Transportation, Interior, and Housing and Urban Development, the Senate Appropriations Committee, the District of Columbia Council and the D.C. Departments of Community Development and Transportation, in connection with an urban development project in the District.

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

Yes

Potential conflicts of interest—Continued

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

I will abide by the advice of the Office of the General Counsel.

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

I would abide by the advice of the Office of the General Counsel.

Public disclosure. Do you have any objections to this form and the attachments thereto being made public?

No

District of Columbia

AFFIDAVIT

ss

I, DONNA R. FITZPATRICK, being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

Donna R Fitzpatrick
(Signature of Nominee)

Subscribed and sworn to before me this 16th day of September 1985

Augusta R. Vines
Notary Public

My Commission Expires 7/31/89

Form approved by the Committee February 5, 1985.

U.S. GOVERNMENT PRINTING OFFICE: 1985—43-085

Department of Energy
Washington, DC 20585

DEC 10 1985

The Honorable James A. McClure
Chairman
Committee on Energy and Natural Resources
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

Please be advised that, pursuant to section 201(b) of the Ethics in Government Act of 1978, as amended, I have informed the appropriate ethics officials that the information required by section 202(a)(1)(A) with respect to income and honoraria is current as of Tuesday, December 10, 1985. This date is within five days prior to the date of the first hearing to consider my nomination.

Sincerely yours,

Donna R. Fitzpatrick

Donna R. Fitzpatrick

District of Columbia ss

Subscribed and sworn to before me this 9th day of December, 1985

Augusta R. Vine
Notary Public

My Commission Expires 7/31/89

cc: The Honorable J. Bennett Johnston

United States of America
Office of Government Ethics

Office of Personnel Management
Washington, D.C. 20415

AUG 26 1985

Honorable James A. McClure
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Donna R. Fitzpatrick, who has been nominated by President Reagan for the position of Assistant Secretary for Conservation and Renewable Energy, Department of Energy.

We have reviewed the report and have also obtained advice from the Department of Energy concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. Based thereon, we believe that Ms. Fitzpatrick is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David H. Martin
Director

Enclosure

Form 278 (Rev. 1/89)
Form Approved
OMB No. 3209-0002
5 CFR Chapter XCVII
U.S. Office of Personal Management

Financial Disclosure Report

Reporting Status (Check Appropriate Box)		Agency Use Only	OGE Use Only	Date of Appointment, Candidacy, Election or Nomination (Mo., Day, Yr.)	Termination Date (If Applicable) (Month, Day, Year)
☐ Incumbent	☑ New Entrant, Nominee, or Candidate ☐ Termination Filer				

Reporting Individual's Name	Last Name: FITZPATRICK	First Name and Middle Initial: DONNA R.
Position for Which Filing	Title of Position: Assistant Secretary Conservation and Renewable Energy	Department or Agency (If Applicable): Department of Energy
Location of Present Office	Address (Number, Street, City, State and ZIP Code): 1000 Independence Avenue, S.W. Washington, D.C. 20585	Telephone No. (Include Area Code): (202) 252-9220
Position(s) Held With the Federal Government During the Preceding 12 Months (If Not Same as Above)	Title of Position(s) and Date(s) Held: Principal Deputy Assistant Secretary Acting Assistant Secretary, Conservation and Renewable Energy	
Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination: Energy and Natural Resources	Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No

Certification	Signature of Reporting Individual	Date (Month, Day, Year)
I CERTIFY that the statements I have made on the form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	Donna R. Fitzpatrick	6/10/85
Other Review (If desired by agency)	Signature of Other Reviewer	Date (Month, Day, Year)
Agency Ethics Official's Opinion	Signature of Designated Agency Ethics Official/Reviewing Official	Date (Month, Day, Year)
The information contained in this report discloses no conflict of interest under applicable laws and regulations.	Ralph D. Jaramillo	8/1/85
Office of Government Ethics Use Only	Signature	Date (Month, Day, Year)

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

(Check box if comments are continued on the reverse side) ☐

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A, C, and D. (Candidates do not file Part II of Schedule D.)

- **Schedule A**—The reporting period for Income (BLOCK C) and Transactions Test (BLOCK D) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

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Form Approved
OMB No. 3209-0002

Reporting Individual's Name	Assets and Income	Page Number		Schedule
DONNA R. FITZPATRICK			1	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

	BLOCK A Assets & Income Sources	BLOCK B Valuation of Assets								BLOCK C Income																BLOCK D Transactions Test	
	Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	Category of Value (X)								Type of Income (X)							Other (Specify Type)	Category of Amount of Income (X)								Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
		None (or less than $1,001)	$1,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101 $1,000	$1,001 $2,500	$2,501 $5,000	$5,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $1,000,000	Over $1,000,000			YES	NO
S or DC	Exam ples: X Y Z Common				X			X											X							X	
	Doe Jones & Smith, Hometown, USA			X										partnership income										$50,000			
1	Money Market Account National Permanent Bank			X						X						X											
2	IRA CD (7-09 PS SP) National Bank of Washington		X							X						X											
3	IRA (redeemed 7-09 PS SP) National Permanent Bank			X						X							X										
4	KEOGH - NATIONAL PERMANENT BANK (7-09 PS SP)									X					X												
5	Estate of Sola Tiedeken (LT PS PS)													FOR FOR LEGAL SERVICES										$ 4,727.40			
6	Conservatorship for Nina Hiai (RENT PS PS)													FOR FOR LEGAL SERVICES										$ 245.39			
7	Estate of Mabel Wenger (INT 7-84 PS)													FOR FOR LEGAL SERVICES										$ 294.91			
8																											
9																											
10																											

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279-209

Form Approved
OMB No. 3209-0999

Reporting Individual's Name: DONALD FITZPATRICK

Page Number	1	Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE [X]

S or DC	Exempt	Identification of Assets	Type of Transaction (X) Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	Amount of Transaction (X) $1,001 $5,000	$5,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $250,000	Over $250,000
1		X Y Z Common	X			2/1/83			X			
2		NONE										
3												
4												
5												
6												

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only:
Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE [X]

S	Exempt	Source (Name and Address)	Brief Description	Value
1		Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$800
2		Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
3		NONE		
4				
5				
6				

Reporting Individual's Name

DONNA R. FITZPATRICK

Page Number		Schedule C

Part I
Liabilities

All Filers Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

		Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X) $10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S or DC	Exempt	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	20 yrs.			X		
S or DC	Exempt	John Jones, 123 J St. Washington, DC	Promissory note	1979	10%	on demand	X				
1		Great North Mountain, Inc. The Pines, Basye, Virginia	Promissory note, secured by interest in time share condominium	1981	18%	10 yrs.	X				
2											
3											
4											
5											
6											

Part II
Agreements Or Arrangements

All Filers Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☐

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, USA	7/78 partnership agmnt.
	~~None~~ FEES ARE STILL OWING, FOR LEGAL SERVICES RENDERED AS SOLE PRACTITIONER, FROM: ESTATE OF CATHERINE JARBOE ($6,385.43); ESTATE OF FLORENCE CLARK ($3,038.00); ESTATE OF MARILYNNE SLENTZ ($5,449.00) - SERVICES WERE RENDERED ALMOST ENTIRELY BEFORE JOINING DOE. (SF 7-31-85)		

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278-109

06

SF 278 (Rev. 1/95)
Title I Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0007

Reporting Individual's Name

Page Number		Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples	Nat'l Assn. of Rock Collectors, N.Y., NY	Non profit education	President	6/83	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/78	11/83
	Embassy Park Homeowners' Association, Inc.	Non-profit	Vice president, director	10/82	5/85
	Georgetown Visitation Preparatory School, Washington, DC	Educational, non-profit	Chairman Endowment Fund	2/82	5/85

Part II
Compensation in Excess Of $5000
Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☒

	Source (Name and Address)	Brief Description of Duties
Examples	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
	NONE	

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278-108

DOE F 1325.8
(4-84)

United States Government | Department of Energy

memorandum

DATE: AUG 07 1985

REPLY TO ATTN OF: GC-44

SUBJECT: Statement of Agency Ethics Official for Senate Committee

TO: Donna R. Fitzpatrick

This memorandum is intended to serve as a statement from the designated agency ethics official for this Department, as required by question 5, page 6, of the Statement for Completion by Presidential Nominees that you are submitting to the United States Senate Committee on Energy and Natural Resources in connection with your nomination for the position of Assistant Secretary for Conservation and Renewable Energy. I have reviewed your Standard Form 278 (Financial Disclosure Report) dated June 10 1985, and have certified that the information contained therein discloses no conflict of interest under applicable laws and regulations. 1/

As a supervisory employee of the Department, you are prohibited by section 602(a) of the DOE Organization Act (Pub. L. 95-91) from knowingly receiving compensation from, holding any official relation with, or having any pecuniary interest in any energy concern. The term "energy concern" is defined in section 601(b) of the Act as any entity "significantly engaged in the business" of any of a variety of activities related to energy production, distribution, sale, or research and development, or any entity significantly engaged in such research and development pursuant to a DOE-funded program irrespective of whether it otherwise engages in such business. The term also includes any entity holding an interest in property from which an energy resource is commercially produced or obtained.

In addition, section 208, title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you have or your spouse, minor child, partner, organization in which you are serving as officer, director, trustee, partner, or employee, or any person or organization

---

1/ Section 201(b) of the Ethics in Government Act (Pub. L. 95-521) requires the income and honoraria information on your form to be updated within five days before the date of the Committee hearing to consider your nomination.

with whom you are negotiating or have any arrangement concerning prospective employment has, a financial interest. Accordingly, you should avoid participation in any particular matter the outcome of which could have a direct and predictable effect on any such financial interests.

Please let me know if I can be of further assistance.

Ralph D. Goldenberg
Assistant General Counsel
for General Law

cc: Larry Garrett, White House
Gary Davis, OGE

C. DALE DUVALL, CPA

Biographical Sketch

Since June, 1981, Mr. Duvall has been Treasurer and Vice President/Treasurer of the Overseas Private Investment Corporation (OPIC) in Washington, D.C. OPIC is a self-sustaining U.S. government agency providing political risk insurance and finance services to encourage U.S. private-sector investment in nearly 100 developing countries.

He has developed a reputation for combining mild manners and high ideals with hard work, as he monitors a worldwide portfolio of investment projects which have received over a half billion dollars of OPIC loans and guaranties. He also administers a securities investment portfolio of over $900 million and oversees all the OPIC financial services which now generate more than $100 million in annual net profits to the U.S. government.

Mr. Duvall came to Washington as part of the Reagan Administration. Prior to joining OPIC he served several months as the White House-appointed head of the Community Services Administration. He also headed an Administration Team that produced Transition Reports for 38 of the smaller Federal Agencies, Boards and Commissions as well as a special report on 820 Special Advisory Committees of the Federal Government.

Before coming to Washington, Mr. Duvall, a certified public accountant, was managing partner of Morris, Lee & Co., a multi-office regional CPA firm based in Spokane, Washington. His business career in public accounting and in previous positions has distinguished him in financial management and administration in the contracting and engineering field, in retailing and in cooperatives.

Mr. Duvall came by his reputation as a hard worker early in life. He was born in 1933, the eldest son on a small dry-land wheat and cattle farm, to a father who suffered from poor health. When the Second World War absorbed the available farm workers, Dale farmed part-time and attended public school when he could. He routinely operated farming and haying equipment several years before he was heavy enough to crank their engines.

When a younger brother grew old enough to crank engines, Mr. Duvall moved his then small family to Spokane, worked as a bookkeeper and attended night school for eight years at Washington State University, Gonzaga University and Kinman Business University. He graduated from Kinman in Accountancy and Business Administration and went on to become a CPA. He is a member of the Washington Society of CPA's and the American Institute of CPA's where he has recently served on the CPA's in Government Committee. He is also a former National Director of the National Conference of CPA Practitioners.

In Spokane and the Northwest, Mr. Duvall was active in many civic and political organizations.

He has two adult children in Spokane and he now lives with his wife Jewell, in Arlington, Virginia.

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Duvall (LAST) Clayton (FIRST) Dale (OTHER)

Position to which nominated: Commissioner-Bureau of Reclamation Date of nomination: Nov. 14, 1985

Date of birth: 11 (DAY) 5 (MONTH) 33 (YEAR) Place of birth: Creston, Washington

Marital status: Married Full name of spouse: Jewell Fern Fox Duvall

Name and ages of children: Nanette Jo Duvall Huey Age 33

Steven Orin Duvall Age 30

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Creston Schools, Creston Washington	1939-1951		
Wash-State University (ext. School-Spokane, WA)	1957-1958		
Gonzaga University	1963-1964		
Kinman Business University	1958-1960	*	
*Graduated in Accountancy and Business Admin.			4-14-60
Kinman Businesss University ** Post graduate - CPA	1960-1963 coaching courses	**	

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.

See Attachment.

From	To	Name of Employer	Address	Type of Work
06/01/81	Present	OPIC- U.S. Government Agency	Wash. DC	Treasurer
01/81	06/01/81	Community Services Adm.	Wash. DC	White House Liaison
12/80	01/81	Off. of Pres.-Elect	Wash. DC	Transition Team Leade
12/65	12/80	Morris, Lee & Co. CPA	Spokane, WA	Partner
1973	1981	Metropolitan Serv.	Spokane, WA	Corp. Off. Director
1957	12/65	Sceva Constr. Co.	Spokane, WA	Controller Off. Mgr.
1956	1957	Brooks, Inc.	Spokane, WA	Off. Mgr.
1955	1956	Beardmore Transfer Div.	Spokane, WA	Bookkeeper
1951	1955	Self employed	Creston, WA	Farmer/Cattleman
1952	1955	Lincoln Lumber Co.	Lincoln, WA	Sawmill Worker
1952		Warner and Brown	Creston, WA	Constr. Lab.

Employment record—Continued

Military service: Describe any military service not listed above, including dates, rank, and type of discharge.

NONE

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

NONE

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
SEE ATTACHMENT		

Organization	Dates	Office held
American Institute of Certified Public Accountants	1957	None
Washington Society of CPA's	1957	VP & Director
Rotary Int'l Club #21	1976-1981	None
Forward Spokane	1976-1981	Treasurer
Assn. of Wash. Bs.	1977-1981	None
Nat'l Conference of CPA Practicioners	1979-1981	Nat'l Director
Junior Chamber of Commerce	1956-1958	None
Associated General Contractors (Member through Corporate or Partnership Affiliations)	1957-1981	President Off. Mgrs. Group
Retail Credit Men's Assn.	1956-1958	President-Elect
The Anniversary Committee	1981-Present	Vice President
University Club	1977-1980	None

Published writings

List the titles, publishers and dates of any books, articles, or reports you have written.

None

Future employment relationships

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

I am employed by the U.S. Government in present position. I will sever all connections with the present position.

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

No

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

No

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

Not applicable

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No

Financial statement

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

See Financial Statement attached.

3. Are you currently a party to any legal action? If so, describe its nature and status.

No

4. Have you ever declared bankruptcy? If so, describe the circumstances.

No

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

Yes

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

See Attachment

FINANCIAL STATEMENT:

Question No. 2

Termination as a partner in the CPA firm, Morris, Lee & Co. in December 1980, was in conformity with the pre-existing conditions for withdrawing partners as provided within the partnership agreement. Under the terms of that agreement, the remaining partners acting as Morris, Lee & Co., were obligated to pay me a specific amount as a guaranteed payment in exchange for my covenant not to compete in any accounting practice within the Inland Northwest. They also are obligated to pay me, commencing when the guaranteed payment expires, my partnership equity balance in the firm. I receive interest at the rate of 5% per annum on the equity balance.

After my withdrawal from the firm, Morris, Lee and Co. in turn merged the accounting practice with the firm, Pannell, Kerr, and Forster. Pannell, Kerr and Forster assumed the obligation for the guaranteed payments and the partners of Morris, Lee & Co. retained the obligation to pay the equity as well as the interest thereon.

As the result of the above, I had due to me, the following when the financial disclosures were made:

Pannell, Kerr & Forster	$7425	due $825 per month without interest
Morris, Lee & Co.	$47,575	due in various predetermined monthly amounts ranging from $300 to $750 plus 5% interest.

Both of these balances are fixed in accordance with the contractual agreements and I have no duty or obligation to perform any function whatsoever in exchange for these payments other than in keeping with the covenant not to compete in a public accounting practice within the Inland Northwest.

Question No. 6

Yes. The examiner audited my 1976 return and raised issues on two business-related items. One was conceded and settled immediately. The second issue was not conceded and I had intentions to pursue legal defense on the issue. However, when I realized that my employment with the Federal Government was being extended, I withdrew the contested issue and made a net settlement for $3,082 of additional tax in early 1982.

Potential conflicts of interest

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

None

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

Yes

Potential conflicts of interest—Continued

5 Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

I am advised, by the Deputy Agency Ethics and Audit coordinator official that there does not appear to be any conflicts. They are expected to issue a letter commenting to that effect.

6 Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

I shall seek the advice of the Designated Agency Ethics Official in such matters. I shall keep myself informed on current laws and regulations applicable to the position I hold.

Public disclosure. Do you have any objections to this form and the attachments thereto being made public?

No

AFFIDAVIT

) ss

I, Clayton Dale Duvall, being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

Clayton Dale Duvall
(Signature of Nominee)

Subscribed and sworn to before me this 6th day of May, 19 85

Notary Public

My Commission Expires April 30, 1988

Form approved by the Committee February 5, 1985.

U.S. GOVERNMENT PRINTING OFFICE: 1985—43-095

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

December 9, 1985

The Honorable James A. McClure
Chairman, Committee on Energy and
Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Pursuant to Section 201(b) of the Ethics in Government Act of 1978, as amended, I hereby certify and report that the information required by Section 202(a)(1)(A) with respect to earned income and honoraria, as set forth in my Financial Disclosure Report (SF-278) dated August 28, 1985, is current as of December 9, 1985. I further certify that I have transmitted copies of this report to the Office of Government Ethics.

Clayton D. Duvall
Clayton D. Duvall

Washington)
District of Columbia) ss

Subscribed and sworn before me on this 9th day of December, 1985.

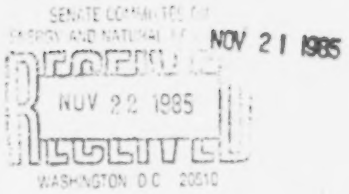
Notary Public

My commission expires: April 30, 1988

cc:
The Honorable J. Bennett Johnston

United States of America
Office of Government Ethics

Office of Personnel Management
P.O. Box 14108
Washington, D.C. 20044



Honorable James A. McClure
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Clayton D. Duvall, who has been nominated by President Reagan for the position of Commissioner, Bureau of Reclamation, Department of the Interior.

We have reviewed the report and have also obtained advice from the Department of the Interior concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. Based thereon, we believe that Mr. Duvall is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David H. Martin
Director

Enclosure

Financial Disclosure Report

DEPT. OF THE INTERIOR
OCT 11 1985
ETHICS OFFICE

Form Approved:
OMB No. 3209-0001

Reporting Status (Check Appropriate Box)		Agency Use Only	OGE Use Only	Date of Appointment (Mo., Day, Yr.)	Termination Date (If Applicable) (Month, Day, Year)
☐ Incumbent	☒ New Entrant, Nominee or Candidate ☐ Termination Filer			November 14,1985	

Reporting Individual's Name	Last Name: Duvall	First Name and Middle Initial: Clayton D.
Position for Which Filing	Title of Position: Commissioner-Bureau of Reclamation	Department or Agency (If Applicable): Interior
Location of Present Office	Address (Number, Street, City, State and ZIP Code): 1615 M Street., N.W. Washington, D.C. 20527	Telephone No. (Include Area Code): (202)457-7160
Position(s) Held With the Federal Government During the Preceding 12 Months (If Not Same as Above)	Title of Position(s) and Date(s) Held: Treasurer - OPIC Vice President--OPIC July 1, 1981 to present	

Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination: Energy & Natural Resources	Do You Intend to Create a Qualified Diversified Trust? ☐ Yes	☒ No

Certification	Signature of Reporting Individual	Date (Month, Day, Year)
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge (and belief)	Clayton D. Duvall	9/28/85
Other Review (If desired by agency)	Signature of Other Reviewer	Date (Month, Day, Year)
Agency Ethics Official's Opinion	Signature of Designated Agency Ethics Official Reviewing Official	Date (Month, Day, Year)
The information contained in this report discloses no conflict of interest under applicable laws and regulations	Duvall C Rus	11/14/85
Office of Government Ethics Use Only	Signature	Date (Month, Day, Year)

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

(Check box if comments are continued on the reverse side) ☐

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A, C, and D. (Candidates do not file Part II of Schedule D.)

- **Schedule A**—The reporting period for income (BLOCK C) and Transactions Test (BLOCK D) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

SF 278 (Rev. 1/89)
Title 5 Chapter 73
U.S. Office of Personal Management

Form Approved
OMB No. 3209-0016

Reporting Individual's Name	Assets and Income	Page Number	2	Schedule A
Duvall, C. Dale				

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources	BLOCK B Valuation of Assets	BLOCK C Income																										BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	Category of Value (X)									Type of Income (X)							Category of Amount of Income (X)											Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
S or DC / Examples	None (or less than $1001)	$1,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101 $1,000	$1,001 $2,500	$2,501 $5,000	$5,001 $15,000	$15,001 $50,000	$50,001 $100,000	Over $100,000			YES	NO
Examples: X Y Z Common																													
Doe Jones & Smith, Hometown, USA		x		x			x									x												x	
													partnership income																
1 Columbia Daily Income Corp. Portland, OR -Money Mkt. Acc				x					x				'84				x										$50,000		
													'85			x													
2 Composite Cash Mgmt. Co. Spokane, WA-Money Market Acc				x					x				'84				x												
													'85		x														
3 Mega Fund Spokane, WA-Money Marke. Acc				x					x				'84		x														
													'85			x													
4 Metropolitan Services Corp (a garbage company) Mead, WA-Installment Contract of sale X													'84			x						cap. gains '84	8,916				x	
									x	x			'85		x							cap. gains '85	3,600				x	
5 Dominion Bank S Alexandria, VA - Certificate	x								x				'84		x														
6 Dominion Bank S Alexandria, VA -Money Mkt.		x							x				'84		x														
													'85		x														
7 Dominion Bank S Alexandria, VA -Checking Acc		x												x															
8 First American Bank Washington, DC Checking Acc		x												x															
9 Dominion Bank S Alexandria, VA - IRA			x						x				'84		x														
													'85		x														
10 First Interstate Bank Spokane, WA - IRA			x						x				'84		x														
													'85		x														

PREVIOUS EDITION USABLE

278-209

SF 278 (Rev. 1/88)
PPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0057

Reporting Individual's Name	Assets and Income	Page Number		Schedule
Duvall, C. Dale			3	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources			BLOCK B Valuation of Assets							BLOCK C Income																		BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐			Category of Value (X)							Type of Income (X)							Category of Amount of Income (X)											Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss	
			None (or less than $1001)	$1,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	$100,001 - $250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Royalties Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101 - $1,000	$1,001 - $2,500	$2,501 - $5,000	$5,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	Over $100,000			YES	NO
S or DC	Examples	X Y Z Common Doe Jones & Smith, Hometown, USA			X		X		X									X										X	
															partnership income											$50,000			
1 S	Massachussets Mutual Springfield, MA Pd up annuity		X						X						'84 '85	X	X												
2	Pannell, Kerr & Forster Spokane, WA Guaranteed Pmts			X										Partnership Inc.	'84 '85											9,900 6,600	(see schedule c) (see schedule c)		
3	Morris, Lee & Co. Spokane, WA - Equity				X									Partnership Inc.	'84 '85											2,380 1,587	(see schedule c) (see schedule c)		
4	BSM Broadcast Sys. Inc-Common Spokane, WA Mfg Broad. Equip		X	(7,813 shares)												X													
5	Advanced Memory Tech.Inc-Common Van Nuys,CA Mfg Mass Mem Sys		X	(63,750 shares)												X													
6	Theratech,Inc-Common Spokane, WA Mfg Medical App				X	(118,477 shares - mostly lettered)										X													
7	Oden Bay Landco Ltd Ptrnshp 8⅛ Sandpoint,ID Recreat. Land		X											Partnership Inc.	'84 '85											269 Est.175			
8	Janlar 3 Partners-Ltd.Partner Reston, VA -Horse Racing		X													X													
9	MONY - Cash Value Marina Del Rey,CA Life Ins.			X	(see sched. C for related loan)																								
10	Condominium #402,W.20 Sumner Spokane, WA Assessed value					X				X					'84 '85	X	X												

SF 278 (Rev. 1-83)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0030

Reporting Individual's Name		Page Number		Schedule
Duvall, C. Dale	**Assets and Income**		4	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income; only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources			BLOCK B Valuation of Assets								BLOCK C Income																				BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐			Category of Value (X)								Type of Income (X)							Other (Specify Type)	Category of Amount of Income (X)												Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
			None (or less than $1001)	$1,001 - $5,000	$5,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	$100,001 - $250,000	Over $250,000		Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust			None (or less than $101)	$101 - $1,000	$1,001 - $2,500	$2,501 - $5,000	$5,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	Over $100,000						YES	NO
	S or DC	Examples	X Y Z Common Doe Jones & Smith, Hometown, USA			X					X							Partnership income													$50,000			
1	S	1981 Chrysler Lebaron Bonus from MCA, Westport, CT		X														Bonus '84													3,333			
2		1.667% of Royalty Rights Theratech, Inc. Spokane WA (cost)			X														X														
3	S	Republican National Committee Wash.D.C. Wife's Salary																'84 '85				X			X								
4	S	International Cooperation Fund Wash.D.C. Wife's Salary																'85							X								

SF 278 (Rev. 1/90)
FPM Chapter 735
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0062

Reporting Individual's Name
Duvall, C. Dale

Page Number	5	Schedule B

Pa.1 I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE [X]

S or DC	Exam-ple	Identification of Assets	Type of Transaction (X) Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	Amount of Transaction (X) $1,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $250,000	Over $250,000
	Exam-ple	X Y Z Common	X			2/1/83		X			
1		Not an incumbent or termination report									
2											
3											
4											
5											
6											

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only:
Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE [X]

S	Exam-ple	Source (Name and Address)	Brief Description	Value
	Exam-ple	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
	Exam-ple	Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1		Not an incumbent or termination report		
2				
3				
4				
5				
6				

PREVIOUS EDITION USABLE

278-108

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SF 278 (Rev. 1/95)
FPM Chapter 736
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Reporting Individual's Name
Duvall, C. Dale

Page Number	6	Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. **Exclude** a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

	Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X) $10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S or DC	Examples: First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs.			X		
	John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
1	Mony - Policy #886-30-69 #919-39-58 P. O. box 99031, Marina Del Rey, CA 90299	Loans on life insurance secured by insurance value (schedule A)	over many yrs.	5%			X			
2	First Interstate Bank - Loan #489625 P. O. Box 21506, Seattle, WA 98111	Mortgage loan on condo unit at W. 20 Sumner, Spokane, WA	Est. 1974	8%	25 yrs.			X		
3										
4										
5										
6										

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☐

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example:	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, USA	7/75 pinership agmnt
	Pursuant to Partnership Agreement, Morris, Lee & Co., guaranteed payments are to be made at $825 per mo. until 3-31-86. This obligation was later assigned in a merger agreement	Pannell, Kerr & Forster	Morris, Lee & Co. Agreement
	to Pannell, Kerr & Forster. This payment is continued in exchange for my promise not to compete with Pannell, Kerr & Forster in the service account area of the former Morris,	Spokane, WA - CPA Firm	Originated with me on 5-1-66
	Lee & CO. My equity account balance is to be received from Morris, Lee & Co. under terms of the	Morris, Lee & Co. Spokane, WA - CPA Firm	PKFassumed the obligation
	aforementioned partnership agreements over a period scheduled to be concluded 1-31-94. Interest under the agreement is paid, in the form of a partnership share, each month		9-1-82

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278-108

SF 278 (Rev. 1/95)
5 CFR Chapter XIV
U.S. Office of Personnel Management

Form Approved:
OMB No. 3209-0057

Reporting Individual's Name:
Duvall, C. Dale

Page Number	7	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/75	11/83
	Thera-Tech, Inc., Spokane, WA	Medical Appliance Mfg. OTC Public Company	Secretary-Treasurer	1978	12/21/84
	The Anniversary Committee, % Mary Widner 1608-E Belmont St., Washington, D.C.	Non-stock Charitable Corp.	Vice-President	1981	Present

Part II
Compensation in Excess Of $5000 Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☒

	Source (Name and Address)	Brief Description of Duties
Examples	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction

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278-108

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

NOV 19 1985

Mr. David M. Martin
Director, Office of Government Ethics
Office of Personnel Management
P. O. Box 14108
Washington, D. C. 20044

Dear Mr. Martin:

The enclosed financial disclosure report filed by Mr. Clayton D. Duvall for the position of Commissioner, Bureau of Reclamation, U.S. Department of the Interior, has been reviewed in compliance with 5 CFR 734.604(a). In addition to the standard conflict of interest prohibitions in 18 U.S.C. 201-209, the Commissioner is also subject to several prohibitions that apply only to employees in our Department. These additional prohibitions are 18 U.S.C. 437; 30 U.S.C. 6; 30 U.S.C. 1211(f); 43 U.S.C. 11 and 43 U.S.C. 31(a). Except for 30 U.S.C. 1211(f), the provisions of each of these statutes are extended to the Commissioner by Department regulations in 43 CFR Part 20. The provisions of 30 U.S.C. 1211(f) apply directly to Federal employees, including the Commissioner, Bureau of Reclamation, U.S. Department of the Interior, who perform functions under the Surface Mining Control and Reclamation Act of 1977.

We have compared each reported interest to the provisions cited and we have determined that the information discloses no conflict of interest under the applicable statutes and regulations.

The individual retirement account (IRA) held by Mr. Duvall consists of money market securities and the account is not personally managed by him. BSM Broadcast Systems, Inc. manufactures operating systems for small radio stations. Advanced Memory Tech., Inc. manufactures memory systems for computers. Theratech, Inc. tests and manufactures medical equipment. Mr. Duvall's property interest in Spokane, Washington does not receive water from the Bureau of Reclamation.

The Pannell, Kerr and Forster accounting firm has no current business with the Department of the Interior. The Oden Bay Landco Limited Partnership has been liquidated. Mrs. Duvall is not currently employed with MCA of Westport, Connecticut and the bonus of a Chrysler Lebaron was the only compensation she received for the work she performed for that organization.

Based on these clarifications and on our review of the other reported information, we have determined that Mr. Duvall will be in full compliance with the conflict of interest laws and regulations that will be applicable to him as Commissioner, Bureau of Reclamation. Please call me at 343-6182 should you have any questions.

Sincerely,

(Sgd.) Gerald R. Riso

Gerald R. Riso
Assistant Secretary (Designee)
Policy, Budget and Administration
and Designated Agency Ethics
Official

Enclosure

cc:
Mr. Duvall
Mr. Garrett, WH
Mr. Hill, CL
Mr. Elliott, SOL/GL
Mr. Dolly, LBR

U.S. Department of Energy
Assistant Secretary for
Congressional, Intergovernmental
and Public Affairs
Office of Public Affairs
Washington, D.C. 20585
202 252 5644

BIOGRAPHY

JAMES R. RICHARDS

James R. Richards was nominated by the President on June 9, 1981, and confirmed by the Senate on September 21, 1981, as the Inspector General for the U.S. Department of Energy (DOE). In this position, he is responsible for the coordination, supervision, and management of investigations and audits of all Departmental activities, including those of the Federal Energy Regulatory Commission, to ensure honest and efficient management.

He is Vice Chairman of the President's Council on Integrity and Efficiency; a member of the Administrative Conference of the U.S. 1984-1985; a member of the Board of Directors, Association of Federal Investigators 1984-1985; and a member of the American, Washington, D.C., and Colorado Bar Associations.

Mr. Richards had served as General Counsel and Vice President of the National Legal Center for the Public Interest, in Washington, D.C., since September 1980. His major responsibilities at the Center included the coordination of legal activities of six federated public interest law firms located throughout the country. From July 1977 to August 1980, he was Vice President and Legal Director of Capital Legal Foundation, located in Washington, D.C.

During the period 1973 to 1977, Mr. Richards served with the U.S. Department of the Interior as Director of the Office of Hearings and Appeals. His responsibilities included the management of five quasijudicial appeals boards and administrative law judges.

Mr. Richards joined the U.S. Department of Justice in 1969, serving initially as Assistant U.S. Attorney for Colorado and later as Chief of the Buffalo, New York, Organized Crime Strike Force. In 1972, he was appointed area coordinator of the Organized Crime Section in Washington, D.C., responsible for the management of major investigations and trials throughout the country. Prior to this he engaged in private practice of law for three years.

From 1963 through 1965, he was Legislative and Executive Assistant to U.S. Senator Peter H. Dominick. Prior to this he served two years as Colorado Assistant Attorney General.

Mr. Richards received a B.A. degree in History and English from Western State College in 1955. He was awarded an LL.B. degree in 1960 from the University of Colorado School of Law.

Born in Kinderpost, Missouri, Mr. Richards currently resides in Arlington, Virginia.

January 1985

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Richards (LAST) James (FIRST) R. (OTHER)

Position to which nominated: Inspector General, Dept. of Interior Date of nomination: November 13, 1985

Date of birth: 11 (DAY) 21 (MONTH) 33 (YEAR) Place of birth: Kinderpost, MO.

Marital status: Single Full name of spouse:

Name and ages of children: None

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Western State College			
Colorado	9/51 - 6/55	B.A.	6/55
University of Colorado			
Law School	9/57 - 6/60	LLB	6/60

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.

See Attachment

JAMES R. RICHARDS
EMPLOYMENT RECORD

9/22/81	Present	Inspector General U.S. Dept. of Energy	1000 Independ. Ave. S.W. Washington, D.C. 20585	Inspector General
6/81	9/81	Consultant to U.S. Dept. of Energy	1000 Independ. Ave.S.W. Washington, D.C. 20585	Consultant
9/1/80	5/31/81	Vice President of Natl. Legal Center for the Public Interest	1101 17th St. N.W. Washington, D. C.	Legal & Administrative
1/1/78	8/30/80	Vice President of Capital Legal Foundation	1101 17th St. N.W. Washington, D.C.	Legal & Administrative
7/15/77	12/31/77	National Legal Center for the Public Interest (full time consultant)	1101 17th St. N.W. Washington, D.C.	Legal & Administrative
2/1/77	7/14/77	National Legal Center for the Public Interest (part time consultant)	1101 17th St. N.W. Washington, D.C.	Legal & Administrative
11/1/73	1/30/77	U.S. Dept. of Interior	4015 Wilson Blvd. Arlington, Va.	Director, Office Hearings & Appeals
4/1/72	10/30/73	U.S. Dept. of Justice	10th & Constitution Ave. N.W., Wash., D.C.	Litigation & Coordination
11/16/70	3/31/72	U.S. Dept. of Justice	Genessee Bldg. Buffalo, NY	Chief of Strike Force
2/1/69	10/30/70	U.S. Dept. of Justice	Fed. Courthouse Denver, CO	Litigation -- Asst. U.S. Attorney
7/1/67	1/30/69	Self-employed	5620 Yukon Street Arvada, CO	Law Practice
9/12/66	6/30/67	Law Partnership	144 N. Main Gunnison, CO.	Law Practice
1/1/66	6/30/66	Law Practice	621 17th Street Denver, CO	Law Practice
1/1/63	12/31/65	U.S. Senate	Senate Office Bldg. Washington, D.C.	Legislative & Executive Asst.
9/20/60	12/31/62	State of Colorado	4201 E. Ark., Ave. Denver, CO	Asst. Attorney General
1/1/56	6/1/57	Western State College	Gunnison, CO	Admissions Counselor
6/1/55	8/30/55	Goodyear Tire & Rubber Co.	Akron, OH	Executive Trainee

Employment record—Continued

Military service: Describe any military service not listed above, including dates, rank, and type of discharge.

None

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Law Alumni Scholarship - University of Colorado

Who's Who in American Colleges and Universities

Phi Delta Phi

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
D.C. Bar Association	1978 - Present	None
Colorado Bar Association	1960 - Present	None
American Bar Association	1977 - Present	None
President's Council on Integrity and Efficiency	1985 - Present	Vice Chairman
Assoc. of Fed. Investigators	1984 - Present	Bd. of Directors
Admin. Conference of U.S.	1984 - Present	Member

Published writings:

List the titles, publishers and dates of any books, articles, or reports you have written.

Author from August 1979 to April 1981 of a monthly column entitled "Legal Jargon" in the American Oil & Gas Reporter published in Derby, Kansas. Since becoming Inspector General of the Department of Energy in late 1981 we have issued numerous audit and inspection reports. Major reports have routinely been sent to this Committee. We also have issued Annual and Semi-Annual Reports to Congress pursuant to law.

Future employment relationships:

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

Yes

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

No

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

No

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

N/A

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

None

3. Are you currently a party to any legal action? If so, describe its nature and status.

No

4. Have you ever declared bankruptcy? If so, describe the circumstances.

No

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

Yes

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

No

Potential conflicts of interest:

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

None

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

Yes

Potential conflicts of interest—Continued

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

None. Attached is a statement by Gerald R. Riso, Designated Agency Ethics Official, dated November 15, 1985

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

I shall seek the advice of the Designated Agency Ethics Official in such matters. I shall keep myself informed on current laws and regulations applicable to the position I hold.

Public disclosure. Do you have any objections to this form and the attachments thereto being made public?

No.

AFFIDAVIT

James R. Richards, being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

James R. Richards
(Signature of Nominee)

Subscribed and sworn to before me this 6th day of December, 1985

Notary Public

Form approved by the Committee February 5, 1985.

U.S. GOVERNMENT PRINTING OFFICE: 1985—43-086

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

December 9, 1985

The Honorable James A. McClure
Chairman, Committee on Energy and
Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Pursuant to Section 201(b) of the Ethics in Government Act of 1978, as amended, I hereby certify and report that the information required by Section 202(a)(1)(A) with respect to earned income and honoraria, as set forth in my Financial Disclosure Report (SF-278) dated November 14, 1985, is current. I further certify that I have transmitted copies of this report to the Office of Government Ethics.

James R. Richards
James R. Richards

Maryland)
~~Washington~~)ss
~~District of Columbia~~)
County of Montgomery
Subscribed and sworn before me on this 9th day of December, 1985.

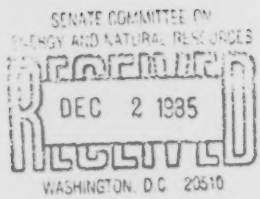
Helen Hershey
Notary Public

My commission expires: 7/1/86

cc:
The Honorable J. Bennett Johnston

United States of America
Office of Government Ethics

Office of Personnel Management
P.O. Box 14108
Washington, D.C. 20044



DEC 2 1985

Honorable James A. McClure
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by James R. Richards, who has been nominated by President Reagan for the position of Inspector General, Department of the Interior.

We have reviewed the report and have also obtained advice from the Department of the Interior concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. Based thereon, we believe that Mr. Richards is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David H. Martin
Director

Enclosure

OGE 132-64-0
March 1985

58-093 O - 86 - 5

SF 278 (Rev. 1/86)
(Part) Chapter 734
U.S. Office of Personnel Management

Financial Disclosure Report

Covers Period 1/1/84-Present

Form Approved
OMB No. 3209-0002

Reporting Status (Check Appropriate Box)			Agency Use Only	OGE Use Only	Date of Appointment, Candidacy, Election or Nomination (Mo., Day, Yr.)	Termination Date (If Applicable) (Month, Day, Year)
☐ Incumbent	☒ New Entrant, Nominee, or Candidate	☐ Termination Filer			November 13, 1985	

	Last Name	First Name and Middle Initial
Reporting Individual's Name	RICHARDS	JAMES R.
Position for Which Filing	Title of Position	Department or Agency (If Applicable)
	Inspector General	U.S. Department of Interior
Location of Present Office	Address (Number, Street, City, State and ZIP Code)	Telephone No. (Include Area Code)
	1000 Independence Ave., S.W., Room 5D-039 Washington, D. C. 20585	202/252-4393
Position(s) Held With the Federal Government During the Preceding 12 Months (If Not Same as Above)	Title of Position(s) and Date(s) Held	
	Inspector General, Department of Energy 9/22/81 to present	

Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination	Do You Intend to Create a Qualified Diversified Trust?
	Senate Committee on Energy and Natural Resources and Committee on Governmental Affairs	☐ Yes ☒ No

Certification	Signature of Reporting Individual	Date (Month, Day, Year)
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	James R. Richards	November 14, 1985
Other Review (If desired by agency)	Signature of Other Reviewer	Date (Month, Day, Year)
Agency Ethics Official's Opinion	Signature of Designated Agency Ethics Official/Reviewing Official	Date (Month, Day, Year)
The information contained in this report discloses no conflict of interest under applicable laws and regulations.		
Office of Government Ethics Use Only	Signature	Date (Month, Day, Year)

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A, C, and D. (Candidates do not file Part II of Schedule D.)

- **Schedule A**—The reporting period for income (BLOCK C) and Transactions Test (BLOCK D) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

(Check box if comments are continued on the reverse side) ☐

SF 278 (Rev. 1/95)
PPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0001

Reporting Individual's Name	Assets and Income	Page Number		Schedule
RICHARDS			2	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources			BLOCK B Valuation of Assets								BLOCK C Income																		BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐			Category of Value (X)								Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)									Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schs. B Part I for these assets including those sold for a loss.	
			None (or less than $1001)	$1,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Exempted Trust	Qualified Trust		None (or less than $101)	$101 $1,000	$1,001 $2,500	$2,501 $5,000	$5,001 $15,000	$15,001 $50,000	$50,001 $100,000	Over $100,000			YES	NO
S or DC	Exemples	X Y Z Common Doe Jones & Smith Hometown, USA		X	X				X									X							$50,000		X	
				X											partnership income													
1	R.A.P. & Co. - ½ ownership in Condo in Dillon, CO (partnership)				X					X							X												
2	Govt. Inv. Trust, Wash. D.C. Tax Exempt money mkt. Fund				X						X							X											
3	Summit Trading Co., Denver, CO (see explanation on attached)			X								X				X													
4	IRA - Delaware Guaranty & Trust -- Consisting of:																												
5	Phoenix Leasing Growth Fund, Mill Valley, CA. income Fund			X							X						X												
6	Alliance Tech. Fund, N.Y., N.Y. - Investment Fund		X								X					X													
7	Consolidated CAP, Inc. Trust-real estate trust, Oakland, CA		X								X						X												
8	Cash Accum. Fund Inc , of Thomson & McKinnon Sec., NY, NY money market Fund		X								X						X												
9	Phoenix Leasing Inc., Mill Valley, CA-Computer Leasing Company			X							X							X											
10																													

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270-000

JAMES R. RICHARDS
SCHEDULE A CONTINUATION

Explanation	
#3	Summit Trading Company, Denver, CO, Commodity Pool. 30,000 shares in the nature of a limited partnership with no right to direct or guide actual investments.

SF 278 (Rev. 1/95)
Title Chapter 73
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0001

Reporting Individual's Name

RICHARDS

Page Number	3	Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE ☐

			Type of Transaction (X)				Amount of Transaction (X)					
			Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	$1,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	$100,001 - $250,000	Over $250,000
1 or DC	Example	Identification of Assets X Y Z Common	X			3/1/83		X			
1		Purchase of shares in GIT Tax Free Trust	X			6/20/85		X			
2		Purchase of Phoenix Leasing Growth Fund	X			4/11/85	X				
3		Sale of First Investors Cash Management Fund		X		3/16/85	X				
4		Purchase of shares in GIT Tax Free Trust	X			10/31/85	X				
5						—					
6											

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only:
Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☒

		Source (Name and Address)	Brief Description	Value
3	Example	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
	Example	Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1				
2				
3				
4				
5				
6				

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278-169

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SF 278 (Rev. 1/95)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0060

Reporting Individual's Name

RICHARDS

Page Number	4	Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. **Exclude** a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

		Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X) $10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S or DC	Examples	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	26 yrs.			X		
S or DC	Examples	John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
1		Van Schaack & Co., 950 17th Street, Denver, CO 80202	April 18, 1978; 25 year mortgage at 9-3/4 interest on condo in Dillon County owned by partnership R.A.P. and Company (⅓ interest)	1978	9-3/4	25		x			
2											
3											
4											
5											
6											

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☒

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, USA	7/78 prinership agmnt

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278-108

SF 278 (Rev. 1-88)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
O.M.B. No. 3209-0060

Reporting Individual's Name
RICHARDS

Page Number	5	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples:	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/78	11/83
	Association of Federal Investigators	Non-profit	Member, Board of Directors	2/84	Present

Part II
Compensation In Excess Of $5000 Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☒

	Source (Name and Address)	Brief Description of Duties
Examples:	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction

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278-1/B

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

NOV 15 1985

Mr. David H. Martin
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington, D.C. 20044

Dear Mr. Martin:

The enclosed financial disclosure report filed by Mr. James R. Richards, for the position of Inspector General, U.S. Department of the Interior, has been reviewed in compliance with 5 CFR 734.604(a). In addition to the standard conflict of interest prohibitions in 18 U.S.C. §201-209, the Inspector General is also subject to several prohibitions that apply only to employees in our Department. These additional prohibitions are 18 U.S.C. §437; 30 U.S.C. §8; 30 U.S.C. §1211(f); 43 U.S.C. §11 and 43 U.S.C. §21(a). Except for 30 U.S.C. §1211(f), the provisions of each of these statutes are extended to the Inspector General by Department regulations in 43 CFR Part 20. The provisions of 30 U.S.C. §1211(f) apply directly to Federal employees, including the Inspector General, U.S. Department of the Interior, who perform functions under the Surface Mining Control and Reclamation Act of 1977.

We have compared each reported interest to the provisions cited and I have determined that the information discloses no conflict of interest under the applicable statutes and regulations.

Mr. Richards does not manage the Individual Retirement Account (IRA) with Delaware Guaranty and Trust Company and the assets in the IRA are not prohibited by the applicable statutes or regulations. The Phoenix Leasing Growth Fund leases computer equipment and software, the Alliance Technology Fund invests in various high technology businesses and the Consolidated CAP, Inc. is a real estate investment firm whose assets consist primarily of apartment houses.

None of the investments reported by Mr. Richards involve interests in Federal lands administered by the Department of the Interior. Further, none of the companies or partnerships have any business with the Department of the Interior.

Based on this analysis, I have certified to the enclosed financial report filed by Mr. Richards on November 14, 1985.

Sincerely,

(Sgd.) Gerald R. Riso

Gerald R. Riso
Assistant Secretary (Designee)
Policy, Budget and Administration
and Designated Agency Ethics Official

Enclosure
cc: Mr. Richards
Mr. Hill, CL
Mr. Elliott, SOL/GL
Mr. Garrett, WH
Mr. Robinson, SOL/AI

MARY L. WALKER

Mary L. Walker was nominated by the President for the position of Assistant Secretary for Environment, Safety and Health, U.S. Department of Energy, on September 18, 1985. In this position, her responsibilities will include management of the Department's environmental and safety guidance, compliance and oversight functions. She will oversee the development of the Department's policies and standards, as well as the analysis of laws and regulations in the environmental and safety areas. She will provide assistance to the Department's field operations and programs in the areas of new project review, liaison with states and federal agencies, technical expertise and compliance.

Since June 1985, Ms. Walker has served as a Consultant, in the area of environmental and safety matters, to the Secretary of the Department of Energy. Prior to that, Ms. Walker served as the Deputy Solicitor for the Department of Interior under William Clark. In this role, she supervised 220 attorneys including eight Regional offices, and provided legal counsel to the Secretary and program heads on the many varied legal issues involving that Department.

In 1982 she joined the Reagan Administration as the chief Deputy Assistant Attorney General in the Land and Natural Resources Division, U.S. Department of Justice. She supervised a staff of 155 persons and managed the federal government's environmental litigation, involving over 2,500 cases relating to the federal government's protection and regulation of land and natural resources.

Ms. Walker was a partner with the Los Angeles law firm of Richards, Watson, Dreyfuss & Gershon, practicing in the areas of land use and environmental law and litigation from 1976-1982. In addition to representing individual and corporate clients, Ms. Walker represented various public entities, including approximately twelve Southern California cities. She handled matters involving federal and state agencies, including the Environmental Protection Agency, U.S. Army Corps of Engineers, Department of Interior, the California Coastal Zone Conservation Commission, California Department of Fish and Game, California Water Quality Control Board and California Air Resources Board. She is experienced in civil litigation in both federal and state courts.

From 1973-1976, Ms. Walker was an attorney with Southern Pacific Transportation Company in San Francisco. She represented Southern Pacific and its diverse subsidiaries, including railroad, pipeline, trucking and land companies, in the then-emerging area of environmental law.

Ms. Walker received her B.A. in Biological Sciences/Ecology from the University of California at Berkeley in 1970. She attended U.C.L.A. Law School and Boston University Law School, receiving her J.D. in 1973.

September 1985

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Walker (LAST) Mary (FIRST) L. (OTHER)

Position to which nominated: Assistant Secretary, Environment, Safety & Health

Date of nomination: September 23, 1985

Date of birth: 01 (DAY) 12 (MONTH) 48 (YEAR)

Place of birth: Dayton, Ohio

Marital status: Single (divorced)

Full name of spouse: Not applicable

Name and ages of children: None

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Boston University	1970 - 1972	J.D.	1973
U.C.L.A. Law School	1972 - 1973	(visiting 3rd year student)	
U.C. at Berkeley	1968 - 1970	B.A.	1970
U.C. at Irvine	1966 - 1968	-	-

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.

Deputy Solicitor, U.S. Department of Interior, Washington, D.C.
April 1984 to Present

Deputy Assistant Attorney General, Land and Natural Resources Div.
U.S. Department of Justice, Washington D.C. - July 1982 to April 1984

Partner (shareholder), Richards, Watson, Dreyfuss & Gershon, P.C.
Los Angeles, CA - 1976 to 1982 (Associate 1976 to 1978)

Attorney, Southern Pacific Co., San Francisco, CA
1973 to 1976

Employment record—Continued

Military service

Describe any military service not listed above, including dates, rank, and type of discharge.

None

Honors and awards

List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Law School - Honors in Moot Court and Legal Writing

Memberships

List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
California Bar Association	1973 to Present	-
American Bar Association	1976 to 1984	-
American Trial Lawyers Assoc.	1976 to 1983	-
Los Angeles County Bar Assoc.	1977 to 1983	-
California Women Lawyers	1979 to 1983	-
Supreme Court Historical Society	1983 to 1984	-
World Affairs Council (Wash., DC)	1985 to Present	-
Renaissance Women (Wash., DC)	1984 to Present	-
National Presbyterian Church	1985 to Present	-
Girl Scouts of America	(member in youth,	leader of troop-1974
Australian Shepherd Club of USA	1973 to 1981	-
Tamandoa (national service organization for women)	1967 to 1968	Historian

Published writings

List the titles, publishers and dates of any books, articles, or reports you have written.

Only published article was "Offshore Oil Production," published in The Renaissance Report (summer 1984), a newsletter published by Renaissance Women in Washington, D.C. In addition, a speech I gave in April 1984 titled "Federal Enforcement under Superfund," was published twice: ABA Natural Resources Law Newsletter (Spring-Summer 1984), and the Risk Management Section Quarterly, published by the Society of Chartered Property and Casualty Underwriters (CPCU) (Spring 1985).

Future employment relationships

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

I am currently employed by the Department of Interior and upon confirmation I will terminate that employment.

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

I have no such plans.

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

No.

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

Not applicable.

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No.

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

None.

3. Are you currently a party to any legal action? If so, describe its nature and status.

No.

4. Have you ever declared bankruptcy? If so, describe the circumstances.

No.

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

Yes.

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

No.

Potential conflicts of interest.

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None.

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None.

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

None.

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

Yes.

Potential conflicts of interest—Continued

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

Same as #6 below.

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

I will undertake not to participate as a government official in any matters in which my former law firm is involved. Further, I will avoid participation in any particular matter, the outcome of which could have a direct and predictable effect on any entity in which I have a financial interest. I will also continue to seek and comply with the advice of the General Counsel of the Department of Energy.

Public disclosure. Do you have any objections to this form and the attachments thereto being made public?

No.

DISTRICT OF COLUMBIA } ss

AFFIDAVIT

I, Mary L. Walker being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

Mary Walker
(Signature of Nominee)

Subscribed and sworn to before me this 26th day of September, 1985

Cheryl D. Cranston
Notary Public

My Commission Expires November 14, 1989

Form approved by the Committee February 5, 1985.

U.S. GOVERNMENT PRINTING OFFICE: 1985—43-095

Department of Energy
Washington, DC 20585

December 9, 1985

The Honorable James A. McClure
Chairman
Committee on Energy and Natural Resources
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

Please be advised that, pursuant to section 201(b) of the Ethics in Government Act of 1978, as amended, I have informed the appropriate ethics officials that, except as noted on the enclosed addendum to my financial disclosure report, the information required by section 202(a)(1)(A) with respect to income and honoraria is current as of Monday, December 9, 1985. This date is within five days prior to the date of the first hearing scheduled to consider my nomination.

Sincerely yours,

Mary L. Walker

Enclosure

District of Columbia ss

Subscribed and sworn to before me this 9th day of December, 1985

Notary Public My Commission Expires 7/31/89

cc: The Honorable J. Bennett Johnston

Reporting Individual's Name: MARY L. WALKER

Assets and Income

Page 24 — Schedule A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding 1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions IRA assets, assets of certain trusts, commodities futures, personal business and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and certain holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $200 derived or received from the assets and other sources of income listed in BLOCK A. You must report the actual amount of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

BLOCK A: Assets & Income Sources	BLOCK B: Valuation of Assets	BLOCK C: Income	BLOCK D: Transactions
Identify each asset and income source of yours, your spouse's (S) and your dependent child's (DC). NONE ☐	Category of Value (X): None (or less than $1001); $1,001-$15,000; $15,001-$50,000; $50,001-$100,000; $100,001-$250,000; Over $250,000	Type of Income (X): Dividends; Rent; Interest; Capital Gains; Excepted Trust; Qualified Trust; Other (Specify Type)	Category of Amount of Income (Y): None (or less than $201); $201-$1,000; $1,001-$2,500; $2,501-$5,000; $5,001-$15,000; $15,001-$50,000; $50,001-$100,000; $100,001-$1,000,000; Over $1,000,000
			Actual Amount (Only if "Other" Specified)
			Type (P, S, E)
			Date (Mo. Day Yr.)
			BLOCK D: Transactions over $1000 during reporting period (Schedule A, Part II for Capital Gains, Excess Rent or Royalties over $1,000)
			Type (P, S, E)
			Date (Mo. Day Yr.)

	B or DC	Exemplar																													
1			X Y Z Common			X		X				X																			
2			Doe Jones & Smith, Hometown, USA															partnership income				X									
3			RICHARDS, WATSON, DREYFUSS & GLASSMAN DEFINED BENEFIT PENSION PLAN *															ACCRUED BENEFIT												$393-			
4																															
5																															
6																															
7																															
8																															
9																															
10																															

* PENSION PLAN ADMINISTERED AS SEPARATE ENTITY APART FROM LAW FIRM AND FINANCED SOLELY BY EMPLOYER CONTRIBUTIONS. PLAN IS IN PROCESS OF TERMINATION AND THE PAYMENT OF $393 IS THE ONLY AMOUNT TO WHICH MS. WALKER IS ENTITLED UNDER THE PLAN. HOWEVER, THERE IS A SURPLUS OF FUNDS REMAINING IN THE PLAN IN EXCESS OF TOTAL ACCRUED BENEFITS DUE TO PARTICIPANTS. THIS EXCESS MAY BE DISTRIBUTED TO PLAN PARTICIPANTS. THE AMOUNT MS. WALKER WOULD RECEIVE IS NOT EXPECTED TO EXCEED $1000 — EF 10-01-85

PREVIOUS EDITION USABLE

United States of America
Office of Government Ethics

Office of Personnel Management
Washington, D.C. 20415

SEP 26 1985

Honorable James A. McClure
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Mary L. Walker, who has been nominated by President Reagan for the position of Assistant Secretary for Environment, Safety and Health, Department of Energy.

We have reviewed the report and have also obtained advice from the Department of Energy concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. The Department ethics officials have been informed that none of the fees paid to Ms. Walker pursuant to the severance provisions of her former law firm's partnership agreement were generated by representations made by the firm to any federal department or agency while she held federal office. Further, Ms. Walker has agreed to receive a lump sum payment from the firm representing any future payments she might have been eligible for under their agreement and to recuse herself in any matters that might involve the law firm. The payment represented on Schedule A of her report constitutes that lump sum payment.

Based on these representations, we believe that Ms. Walker is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David H. Martin
DFF

David H. Martin
Director

Enclosure

SF 278 (Rev. 1/90)
5 CFR Chapter XCVI
U.S. Office of Personnel Management

Financial Disclosure Report

Form Approved
OMB No. 3209-0568

Reporting Status (Check Appropriate Box)		Agency Use Only	OGE Use Only	Date of Appointment, Candidacy, Election or Nomination (Mo., Day, Yr.)	Termination Date (If Applicable) (Month, Day, Year)
☐ Incumbent	☒ New Entrant, Nominee, or Candidate ☐ Termination Filer				

Reporting Individual's Name	Last Name: Walker	First Name and Middle Initial: Mary L.
Position for Which Filing	Title of Position: Assistant Secretary Environment, Safety and Health	Department or Agency (If Applicable): Department of Energy
Location of Present Office	Address (Number, Street, City, State and ZIP Code): Room 7B-222, Forrestal Building 1000 Independence Ave., SW Washington, DC 20585	Telephone No. (Include Area Code): 202/252-6230
Position(s) Held With the Federal Government During the Preceding 12 Months (If Same as Above)	Title of Position(s) and Date(s) Held: Deputy Solicitor, Department of the Interior, April 1984-present; Deputy Assistant Attorney General, Dept. of Justice, July 1982-April 1984	

Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination: Senate Energy Committee	Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No

Certification I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	Signature of Reporting Individual: /s/ Mary Walker	Date (Month, Day, Year): June 6, 1985
Other Review (If desired by agency)	Signature of Other Reviewer	Date (Month, Day, Year)
Agency Ethics Official's Opinion The information contained in this report discloses no conflict of interest under applicable laws and regulations	Signature of Designated Agency Ethics Official Reviewing Official: Roger D. Golembesky	Date (Month, Day, Year): 7/19/85
Office of Government Ethics Use Only	Signature	Date (Month, Day, Year)

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A, C, and D. (Candidates do not file Part II of Schedule D.)

- **Schedule A**—The reporting period for Income (BLOCK C) and Transactions Test (BLOCK D) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I (Liabilities)**—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II (Agreements and Arrangements)**—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

Partnership income from the law firm of Richards, Watson, Dreyfuss & Gershon, reported by Ms. Walker on Schedule A, was received by her pursuant to a written retirement agreement entered into by her and the firm when she was appointed to a position at the Department of Justice in July 1982. (The terms of the agreement were approved by the DOJ at the time she began employment there.) To avoid any appearance of conflict of interest, Ms. Walker and the firm have agreed to terminate her right to such payments under the agreement prevailing [illegible] with a lump sum settlement agreement. They remain in contact in the form of [illegible] payment of the lump sum which was made on July 2, 1985, and is also reported on Schedule A. In addition, Ms. Walker has undertaken, for the duration of her service with the Department, not to participate as a Government employee, in any particular matter in which the law firm is involved.

SF 278 (Rev. 1/95)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-3082

Reporting Individual's Name		Page Number		Schedule
Mary L. Walker	**Assets and Income**		2	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. **Exclude** your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources		BLOCK B Valuation of Assets								BLOCK C Income														BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐		Category of Value (X)								Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)							Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
S or DC	Examples	None (or less than $1001)	$1,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101 $1,000	$1,001 $2,500	$2,501 $5,000	$5,001 $15,000	$15,001 $50,000	$50,001 $100,000	Over $100,000			YES	NO
	X Y Z Common Doe Jones & Smith, Hometown, USA			X				X									X								
1	IRA Account Perpetual American			X						X															
2	Richards, Watson, Dreyfuss & Gershon PC (see comments p.1)															Ptnrship ** Income		X						$10,650.00 ~~$7936.00~~			
3																											
4	Richards, Watson, Dreyfuss & Gershon PC -															final installment of partnership interest (see comments p.1)								$10,502.00			
5																											
6																											
7																											
8																											
9																											
10																											

**Note: Income derived from partnership withdrawal agreement reported Schedule C.

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278-308

SF 278 (Rev. 1/95)
5 CFR Chapter XIV
U.S. Office of Personnel Management

Form Approved:
OMB No. 3209-0002

Reporting Individual's Name
Mary L. Walker

Page Number	3	Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE [X]

S (or) DC	Example	Identification of Assets	Type of Transaction (X) Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	Amount of Transaction (X) $1,001 - $5,000	$5,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	$100,001 - $250,000	Over $250,000
	Example	X Y Z Common	X			2/1/83			X			
1	Pursuant to instructions for nominees, did not complete this section.											
2												
3												
4												
5												
6												

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only:
Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE [ ]

S	Example	Source (Name and Address)	Brief Description	Value
	Example	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 8/15/83	$500
	Example	Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1	Pursuant to instructions for nominees, did not			
2	complete this section.			
3				
4				
5				
6				

SF 278 (Rev. 1/85)
PPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0032

Reporting Individual's Name

Mary L. Walker

Page Number	4	Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. **Exclude** a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE [X]

		Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X)				
							$10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S or DC	Exemption	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	28 yrs.			X		
S or DC	Exemption	John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
1											
2											
3											
4											
5											
6											

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE [ ]

Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example: Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, USA	7/78 generally agmts
Pursuant to withdrawal from partnership/shareholder agreement, received a share of paid accounts. (see continuation p.1)	Mary L. Walker and Richards, Watson Dreyfuss & Gershon, a professional corporation, Los Angeles, California	letter dated July 16, 1982 and partnership/shareholder agreement

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278-109

SF 278 (Rev. 1/95)
5 CFR, Chapter XIV
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0082

Reporting Individual's Name

Mary L. Walker

Page Number	5	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE [X]

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples:	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/78	11/83

Part II
Compensation In Excess Of $5000 Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE [ ]

	Source (Name and Address)	Brief Description of Duties
Examples:	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
	See attached list	

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Attachment, SF 278, Mary L. Walker

Schedule D, Part II

Legal services generating fee in excess of $5000* performed in calendar years 1980, 1981, and 1982 for following clients of law firm of Richards, Watson, Dreyfuss & Gershon (Los Angeles, California):

City of Carson	701 East Carson Street Carson, CA 90749
Hyatt Die Cast and Engineering	P. O. Box 728 Cypress, CA 90630
City of Industry	15651 Stafford Street Industry, CA 91744
Knudsen Corporation	231 East 23rd Street Los Angeles, CA 90051
City of Rancho Palos Verdes	c/o Central Mutual Insurance Agency 611 South Shatto Place Los Angeles, CA 90005
IMP, Inc. (Pritikin Weight Loss Center)	1910 Ocean Front Walk Santa Monica, CA 90405
Home Savings of America	1001 Commerce Drive Irwin Dale, CA 91706
Mr. Wayne Strunk	1601 Precision Park San Diego, CA 92703
City of Avalon	P. O. Box 707 Avalon, CA 90704
City of Rosemead	8838 East Valley Boulevard Rosemead, CA 91770
Torrance Investment Co.	2716 Ocean Park Boulevard P. O. Box 2114 Santa Monica, CA 90405
Michael Fourney, Ph.d.	U.C.L.A. Room 5732J, Boilten Hall Los Angeles, CA 90024
Trancas Property Owners Association	c/o Pritchett Realty 21355 Pacific Coast Highway Malibu, CA 90265
Whittaker Corporation	10880 Wilshire Boulevard Los Angeles, CA 90024

*Date of billing for services and amount collected by firm is not known. Some payments for the services may have been made to the firm during the reporting period.

United States Government | Department of Energy

memorandum

DATE JUL 19 1985

REPLY TO ATTN OF GC-44

SUBJECT Statement of Agency Ethics Official for Senate Committee

TO Mary L. Walker

This memorandum is intended to serve as a statement from the designated agency ethics official for this Department, as required by question 5, page 6, of the Statement for Completion by Presidential Nominees that you are submitting to the United States Senate Committee on Energy and Natural Resources in connection with your nomination for the position of Assistant Secretary for Environment, Safety and Health. I have reviewed your Standard Form 278 (Financial Disclosure Report) dated June 6, 1985, and your Form DOE-460 (Report on Prior Employment) dated July 9, 1985, and have certified that the information contained therein discloses no conflict of interest under applicable laws and regulations. 1/

As a supervisory employee of the Department, you are prohibited by section 602(a) of the DOE Organization Act (Pub. L. 95-91) from knowingly receiving compensation from, holding any official relation with, or having any pecuniary interest in any energy concern. The term "energy concern" is defined in section 601(b) of the Act as any entity "significantly engaged in the business" of any of a variety of activities related to energy production, distribution, sale, or research and development, or any entity significantly engaged in such research and development pursuant to a DOE-funded program irrespective of whether it otherwise engages in such business. The term also includes any entity holding an interest in property from which an energy resource is commercially produced or obtained.

In addition, section 208, title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you have or your spouse, minor child, partner, organization in which you are serving as officer, director, trustee, partner, or employee, or any person or organization with whom you are negotiating or have any arrangement

---

1/ Section 201(b) of the Ethics in Government Act (Pub. L. 95-521) requires the income and honoraria information on your form to be updated within five days before the date of the Committee hearing to consider your nomination.

concerning prospective employment has, a financial interest. Accordingly, you should avoid participation in any particular matter the outcome of which could have a direct and predictable effect on any such financial interests.

You indicated on Schedule A of your Standard Form 278 that during the period covered you received partnership income from Richards, Watson, Dreyfuss & Gershon, a law firm with which you were associated as partner before you joined the Department of Justice in July 1982. Such income was received by you pursuant to a withdrawal agreement entered into by you and the firm at the time you joined the Government. (We understand that the terms of the agreement were approved by the Department of Justice at the time you began employment there.) To avoid any suggestion of conflict of interest, you have agreed with Richards, Watson, Dreyfuss & Gershon to terminate your right to such payments in return for a lump sum settlement of all your remaining interests in the firm's income. This lump sum payment is noted on Schedule A of your Standard Form 278. You have also undertaken, for the duration of your service with the Department, not to participate, as a Government employee, in any particular matter in which the law firm is involved.

Please let me know if I can be of further assistance.

Ralph D. Goldenberg

Ralph D. Goldenberg
Assistant General Counsel
for General Law

APPENDIX II

Responses to Additional Questions From the Nominees

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

December 13, 1985

Honorable James A. McClure
Chairman, Committee on Energy
and Natural Resources
U.S. Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This letter is in response to the question forwarded to me as a result of my confirmation hearing on December 12 to become the Assistant Secretary of Policy, Budget and Administration of the Department of the Interior.

QUESTION: In your view, does the PBA office have the necessary qualified staff to conduct knowledgeable and comprehensive reviews of other agency programs and budget? If so, will you defend those programs before OMB?

ANSWER: I believe the Office of Policy, Budget and Administration does have a sufficient number of qualified staff to conduct competent program reviews. However, if confirmed, and within available resources, I would try to bring to the staff a number of individuals with operational experience in running organizations. I find that background useful when conducting reviews of agency programs. This operating perspective would bring about a better balance with those analysts currently on board who have strong academic backgrounds.

On the last point, I am prepared to defend the budget and the programs of the Department and of the Secretary before OMB.

Thank you for the opportunity to respond to the question.

Sincerely,

GERALD R. RISO
Assistant Secretary (Designee)
Policy, Budget & Administration

POST-HEARING QUESTIONS AND ANSWERS

Relating to the

DECEMBER 12, 1985, CONFIRMATION HEARING

of

DONNA R. FITZPATRICK

NOMINEE FOR ASSISTANT SECRETARY FOR CONSERVATION AND RENEWABLE ENERGY
U. S. DEPARTMENT OF ENERGY

Before the

COMMITTEE ON ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE

QUESTIONS FROM SENATOR BUMPERS
APPLIANCE EFFICIENCY STANDARDS

Question: A federal court recently ruled that DOE must reconsider its failure to set energy efficiency standards for major household appliances. What plans does the Department of Energy have to respond to the decision in NRDC v. Herrington?

Answer: The U.S. Court of Appeals of the District of Columbia Circuit found that some of the analysis undertaken by DOE in its Appliance Standards rulemaking was inadequate and directed that it be redone. The Department of Energy has reviewed the Court's opinion and is identifying the tasks required to correct the inadequacies found by the court. The Department plans to conduct new rulemakings which will be in compliance with the Court's decision.

QUESTION FROM SENATOR BUMPERS
WEATHERIZATION

Question: You have stated that it would require 50 years to weatherize the existing qualifying housing stock with the current level of federal funding and that the private sector must take up the slack. Arkansas alone currently has 13,300 low-income households on a waiting list for home weatherization. Please describe DOE's efforts to encourage private sector weatherization programs.

Answer: DOE's efforts to encourage private sector weatherization programs include: (1) "Partnerships in Low-Income Residential Retrofit"; (2) innovative financing demonstrations; and (3) "Energy-Related Business Development Grants."

Under the "Partnerships in Low-Income Residential Retrofit" initiative, we will award small grants (approximately $100,000 each) to up to five States to provide them with seed money to develop approaches to stimulate private and non-profit support of low-income residential retrofits. These grants will be for development only. Actual retrofits will be paid for by the private and non-profit sector participants. The results will be documented and made available to others. Solicitations for proposals will be in January 1986; State responses by March 31; grants in May; and the project period will be from June 1, 1986 through November 30, 1987. An evaluation will follow.

The innovative financing initiative was undertaken, beginning in February 1984, in response to the need to develop ways of supplementing federal weatherization funds. Models demonstrating shared savings, bank participation, and energy service company business development are being concluded. New models testing hybrids of the initial shared savings approach are underway. Minnesota, Pennsylvania, New York, Michigan, and Oregon are developing and testing these models for DOE and preparing "How To" publications which will detail the processes as well as serve as guides for replicating these models. All projects except Oregon's should be concluded by early January 1986.

The "Energy-Related Business Development Grant Project" was initiated in 1985. A solicitation was issued on October 24, with a closing date of November 15, 1985. 122 applications were received; approximately 38 grants (representing about $2 million) will be awarded by December 31, 1985. Eligibility was limited to current DOE weatherization grantees and subgrantees. The purpose of this initiative is to promote activities which demonstrate strategies for providing weatherization services without federal funds and/or which promote energy-related

business development activities by local agencies. The proceeds of these ventures would be used to fund additional weatherization services to the eligible population. The grants are for planning purposes only, not for capitalization. Results will be evaluated and "How To" publications prepared. These projects are expected to be completed during calendar year 1986.

QUESTIONS FROM SENATOR WALLOP

Question 1: What, in your opinion, is the proper role of government in research and development on renewable energy sources and conservation?

Answer: The primary role of the Federal Government is to conduct generic research to provide a technology base that allows industry to make informed decisions regarding further development. We perform only that work which we cannot expect the private sector alone to fund and enter into collaborative cost-shared research arrangements wherever possible.

Question 2: What criteria do you use, if any, to determine the portion of the Department's budget to be spent at national laboratories versus universities?

Answer: There are no set criteria used to determine expenditures at national laboratories versus universities. Each research facility is evaluated on a case by case basis. In each research program, we seek to support the facility that will provide the best quality work.

QUESTIONS FROM SENATOR WALLOP

Question 3: As you consider budget cuts, how do you decide on priorities between programs? What criteria and methodology do you use?

Answer: Multi-year program plans provide program by program rankings of priorities which incorporate assessments of potential program impacts and costs. The Conservation strategy document was recently reviewed by a variety of academics, government officials and industry representatives in a two-day meeting at the National Academy of Sciences, and received praise from many of the participants. The Infrastructure Subpanel of the Energy Research Advisory Board Energy R&D Panel (October 1985) cited this report and the Renewable Energy Research and Development Outlook as outstanding examples of long range energy planning in the Department.

Multi-year plans establish relative priorities and these priorities have been carefully considered in formulating our budget requests. Our planning and priority assessment methodology includes assessing opportunities; identifying R&D needs; evaluating projects in terms of their feasibility, benefits, and costs; and assessing the proper federal role (which involves considerations such as the degree of technical risk involved and the level of industry

maturity). Candidate R&D projects are then ranked in descending order of their priority. In general, the activities not selected for Departmental funding are those in which the technological risks are smallest, the energy contribution potential is smallest, or where the private sector is clearly most appropriate to perform the R&D.

Question 4: The most recent Energy Research Advisory Board states that "the Department should establish an assessment and analysis capability to assess the relative potential of the various solar technologies." Why does the Department lack this capability? When do you plan to acquire it?

Answer: While we believe that a basic capability is established in this area, the Department has the recommendations of the recent ERAB panel under consideration. In general the CE programs have in place various mechanisms for assessing the relative potential of the various solar technologies. A comprehensive assessment of renewable energy R&D priorities, entitled Renewable Energy Outlook, was recently published by the Department. This evaluation, which considered relative potential across technologies, is complemented by a series of technology specific multi-year program plans. We are proceeding with refinements of analysis performed to date and are always seeking ways to improve our understanding of the potential of the various solar technologies.

QUESTIONS FROM SENATOR WALLOP

Question 5: The ERAB report also recommended that the Solar Energy Research Institute assist the Department to "assess the relative potential of the various solar technologies and crosscutting results, and to provide for industry and university contributions to a coordinated research planning process." Do you believe that the Department needs SERI's assistance to do this? Do you believe that this is an appropriate role for SERI?

Answer: The Department has recently initiated a review of the complete set of ERAB recommendations, including building upon the present capabilities of SERI and assigning to SERI the lead mission responsibility for solar energy analysis in the planning process. A sound planning capability exists, and the direct responsibility for the assessment of various solar energy technologies resides, at DOE Headquarters. Assistance, analyses and technical input from field organizations and the interaction between DOE and the industry and interested universities are important aspects of the overall research planning process. SERI has been performing well to date in lead responsibilities for technically supporting preparation of several technology specific multi-year program plans. DOE recognizes that, if proper separation of R&D and planning responsibilities can be accomplished, it may be of assistance to DOE and industry to consolidate a technical analysis function at SERI in order to promote uniformity of assessment methods and consistency of assumptions. Under any such consolidation, other laboratories and industry and universities would continue to participate in the planning process under the coordination provided by SERI.

ADDITIONAL QUESTIONS FROM SENATOR WALLOP

Question: The Energy Research Advisory Board also stated that, as leadership roles for SERI and Sandia Laboratories have emerged in the past several years, "the fraction of solar energy funding available for industry and university research has disproportionately decreased, with a potential negative effect on the programs' ability to meet long term goals."

1: What are the leadership roles of SERI and Sandia?
2: Why should these laboratories have leadership roles?

Answer: The Office of Conservation and Renewable Energy received the ERAB report on December 12, 1985, and is currently reviewing the Solar Panel's findings. The observations and recommendations contained in the report will be evaluated as compared to the existing program management and research structures and distribution of funds to R&D performing entities. After the results of the reviews by my office and any clarifications we might require from the panel, I would be available to brief you and your staff as to the actions we plan.

It appears that the panel is referring to the fact that these organizations continue to receive the largest individual percentages of solar energy authorizations. While we have not yet fully determined ERAB's rationale for its conclusions in this area, these labs have historically had leadership roles due to specialized capabilities, staffs and facilities. SERI has been and is involved in research and research coordination throughout the various solar programs. Sandia is substantially involved in research and research coordination for the solar thermal, photovoltaics and wind programs.

ADDITIONAL QUESTIONS FROM SENATOR WALLOP

Question 3: What percentage of the Renewable Energy budget does each of these laboratories get?

Answer: For Fiscal Year 1985 Sandia received 26% and SERI 38% of the total solar program funding provided to laboratories.

Questions 4 and 5: How much funding is passed on to industry and universities? How has this changed since the 1982 ERAB report?

Answer: In 1982 approximately one-half of the funding assigned to laboratories was passed on to industry and universities. For Fiscal Year 1985 it is estimated that between 35 and 40% of laboratory funding was subcontracted to industry and universities; exact information for Fiscal Year 1985 is not yet available due to contracting actions between prime and subcontractors and collaborative university activities.

Question 6: Do you intend to continue a trend of consolidating research at these laboratories?

Answer: No further consolidation of research coordination or management functions is planned beyond that which is being currently implemented. However, the recommendations of the solar panel's report must be analyzed for possible impact on the program's structure. The conduct of research is expected to remain rather broadly assigned among several laboratories to promote diversity and creativity.

ADDITIONAL QUESTIONS FROM SENATOR WALLOP

Question 7: If the Renewable Energy budget is further reduced, what affect will this have on funding to Sandia and SERI?

Answer: Specific impacts on laboratory funding will be a function of the nature of any reductions and the type and subject of the remaining program activities. In general, however, budget reductions will impact all laboratories on an absolute dollar basis and in some cases on a percentage basis as a function of their historical role in the program and their respective capabilities and expertise.

Question 8: Why, and in what respect, would the biofuels program be characterized as relatively disorganized?

Answer: The ERAB panel's 1982 report on solar energy research and development expressed concern that the biomass program required a sharper focus and a new R&D framework to establish priorities and responsibilities. The latest (November 1985) panel report appears to indicate continued concern that the program's laboratory structure remains too broadly fractioned to facilitate integration and coordination of research activities. We are currently reviewing the report and will take the recommendations of the panel under advisement.

ADDITIONAL QUESTIONS FROM SENATOR WALLOP

Question 9: Please note the attachment which includes a November 19, 1984 letter to you from Mr. Alvah David Johnson concerning a Geothermal Strategy Analysis, which also is attached. Mr. Johnson as program manager of the Division of Geothermal and Hydropower asserts that this report is fraudulent, dishonest and does a disservice to the future of Geothermal energy. How did you personally respond to this letter? If a response was made in writing, I would like a copy. Also what was done, if anything about the report? Did you personally take some follow-up action as Principal Deputy Assistant Secretary? Please elaborate as much as possible.

[Committee note.—The second document referred to in Question 9 has been retained in Committee files.]

Answer: I am aware of the concerns raised by Mr. A. David Allen (corrected name) in his letter of November 19, 1984 about the strategy analysis being conducted to evaluate relative priorities of the large set of potential research options within the family of Renewable Energy Technologies. I did not personally reply to Mr. Allen's letter, but I did take what I considered to be the necessary steps to investigate the allegations, as detailed below.

Mr. Allen and Ron Toms came to me and alleged that the research assessment figures had been reduced by Robert San Martin (Deputy Assistant Secretary for Renewable Energy) to satisfy his biases and steer budget allocations. I questioned both Mr. Allen and Mr. Toms about their understanding of the figures' limitations. I asked them for documentation of changing of these figures . They stated that they had a letter from a service subcontractor and that Ted Mock (Director, Geothermal Technology Division) had all the documents. I requested the service subcontractor letter and called Ted Mock. (I had been told by Allen and Toms that Mock wanted to be asked for the information; he did not want to

volunteer). I met with Mr. Mock, who stated that he had no information, or documents, and that while he would be willing to meet with the Inspector General (IG), he had no information to give to the IG.

I was furnished a letter from the service contractor. The letter described the process, noted that the process was done under time pressures, that it was at first a learning process, and there were changes and corrections in the process, but all in all the results were creditable, although one should not overly rely on the figures.

I contacted Bob Gardner (consultant) and Gary Giesick (Director of the Office of Management and Review) to ask if they knew of concerns within the program and to investigate the allegations. Mr. Giesick had received a telephone call regarding the matter; however, when he asked that evidence be provided, none was ever substantiated.

Mr. Allen and Mr. Toms failed to further substantiate their claims and I concluded that they were displeased with the budget and were disgruntled over personnel assignments and were only attempting to discredit management.

The process and the inherent evaluation methods represent a first attempt to establish a framework for analyzing priorities across technologies of widely differing technical

and industrial maturity. During the evaluation process, as expected, individual program managers were strong advocates for the technologies under their responsibility. The discussions and analyses which were an integral part of the overall process contributed to an improved understanding of the potential of the various options in light of a number of the quantitative and qualitative factors. The evaluation did serve to begin the process of establishing a comparable basis for analysis of priorities across the field of renewable energy. The referenced evaluation was not the exclusive basis of budgetary decisionmaking. A number of considerations and inputs are involved in the overall budgeting, multiyear program planning and decision process. The evaluation was useful in identifying areas of considerable uncertainty to be examined through the multiyear program planning process within each technology area. We are at this time completing technology specific multiyear plans and are examining refinements to the earlier evaluation to improve upon analytical methods.

The methodology used and the initial results of the strategy evaluation have been provided to a number of audiences; including the ERAB supply panel, industry associations, DOE program officials, the DOE office of Energy Research, and staff from the DOE Office of Policy, Planning and Analysis. Feedback from each of these groups has been positive with respect to the general utility of the analytical framework.

Department of Energy
Washington, D.C. 20585

NOV 19 1984

Ms. Donna Fitzpatrick
Principal Deputy Assistant Secretary

Dear Donna,

I had hoped by now to witness some sort of action following my visit to your office where I produced a document which supported my previous revelation that the alleged "strategy analysis" had been severely abused by Dr. San Martin and his staff. I do appreciate the interest you showed in the matter and I realize that you are extremely busy. The approach used by the contractor was not defendable and the manipulation of the evaluation process was a gross disservice to the future of geothermal energy.

In retrospect, the strategy analysis is estimated to have cost from $1.5 to 3 million and I consider it a fraudulent, dishonest act to have performed such a farcical analysis, then massaging the results to satisfy a biased official. The farce was compounded by at least two staff members who have since been given elevated positions, temporary or otherwise. They have violated their trust and should be demoted and transferred to non-decisive positions, if not prosecuted. They probably interpret their enriched status as a reward for their transgression.

Although you may be planning to choose the exact time for action, the subject cannot be dropped on my part after I retire in January, I assure you. I have worked on the White House Staff for two presidents, and I have many contacts with Congress and the Media which I may feel bound to exercise. Action on your part could prevent that from happening.

Sincerely,

Dave Allen

Mr. Alvah David Allen
Program Manager
Division of Geothermal and
Hydropower

ADDITIONAL QUESTIONS FROM SENATOR WALLOP

Question 10: During your hearing, you indicated that your jurisdiction, specifically the renewable section did in fact have a long range management plan. I would like to see a copy of this plan. If it is too voluminous, I would like a summary transmitted with the response to these questions.

Answer: A copy of the overall summary report, Renewable Energy Research and Development Outlook, is attached. Also provided are completed technology specific plans for the Wind and Photovoltaics research programs. Other technology specific plans are at various stages of development and will be provided to the Committee as they are finalized.

(Committee Note.--The documents referred to have been placed in the Committee's files and are available upon request.)

POST-HEARING QUESTIONS AND ANSWERS

Relating to the

DECEMBER 12, 1985, CONFIRMATION HEARING

of

DONNA R. FITZPATRICK

NOMINEE FOR ASSISTANT SECRETARY FOR CONSERVATION AND RENEWABLE ENERGY
U. S. DEPARTMENT OF ENERGY

Before the

COMMITTEE ON ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE

Question for Donna Fitzpatrick

From Senator McClure

Question: The Committee realizes that there is both a medium-Btu gasification scale-up program as well as thermochemical conversion research being undertaken within the Biofuels Division. Please detail for the Committee the plans, goals, and milestones for continuation of existing contracts in thermochemical conversion research, and the time frame and funding expectations for the scale-up program.

Answer: The goal of the Biomass Thermochemical Conversion Program is to develop scientific data and fundamental process information that will lead to a technology base for using heat to convert biomass into useful energy forms. The program includes tasks in gasification research, liquid fuels research and combustion research. While research is being conducted in all areas of the technology, primary emphasis is shifted from near-term processes to longer term concepts as each technology matures. Industrial participation is strongly encouraged in all phases of the research. The thermochemical conversion research for FY-86 builds on work initiated in previous years. Liquid fuels research is being continued at approximately the FY-85 funding level. Gasification research will focus on the planned scale-up of a medium-Btu gasification process and research on high-Btu gas processes, including improved methods of residue disposal. Cost shared support on an innovative combustion process will continue.

Specific research objectives for FY-86 include the following:

- Completion of bench-scale research on catalytic conversion of wood into synthesis gas
- Completion of reports on research to produce medium-Btu gas in process units
- Completion of reports on characterization of pyrolysis oils and direct liquefaction oils relative to processing conditions
- Completion of 1000 hours of operation of a 3000 KW gas turbine generator powered by a pressurized wood combustor
- Completion of initial environmental characterization of liquid effluents from selected biomass conversion processes

With respect to the medium-Btu scale-up project, a solicitation for cooperative agreements (SCAP) planned for release in FY-86 will request responses within 90 days. After proposal evaluation, a cost shared agreement will be negotiated and an award made. The Government share of the cost will not exceed $5,000,000, with a minimum of 50-50 cost sharing by the other party. The scale-up facility is expected to be large enough to convert 50-200 tons/day of biomass.

Questions for Mr. Duvall

from Senator McClure

Q. On December 11, 1985, the Department of the Interior released the findings of a preliminary investigation of selenium contamination at 23 sites in the western United States. Public attention on the potential for adverse environmental impacts of irrigation return flows has been heightened by the documented evidence relating to the Kesterson National Wildlife Refuge in California. To what extent do you propose to alter current Bureau of Reclamation study methodology to provide for a thorough analysis of the potential for contamination by irrigation return flows in the investigation of new project proposals?

A. I am not familiar with the details of the Bureau's present project study methodology, but you have my assurance that I will look at those methodologies. I do know that the anticipated quality of agricultural return flows are already included in project studies. I will institute improvements in study methodology wherever improvements can be made within the existing law and resources.

Q. In my opinion, the Bureau of Reclamation is about to enter into a transition period from a construction oriented agency to that of an agency more akin to a utility. However, the need for water in the western United States will continue to grow commensurate with economic and population expansion. What role do you foresee for the Bureau in meeting these projected increased demands through water conservation and the salvage of water at existing projects? I have in mind the current Imperial Irrigation District-Metropolitan Water District effort to provide additional water supplies in Southern California.

A. The Bureau is already aggressively working on programs for water conservation with respect to both quantity and quality. However, I strongly feel that we can do more along these lines, both in the area of project improvement and in the education of water users.

One thing that can be done is to bring the newest technologies-improvements to old projects to increase efficiencies. As an example, the Bureau has old systems with unlined canals and out-of-date control and measuring devices. The improvements in these studies will make more water available for other uses.

I am also informed that it may be possible in many river basins to meet additional water demands through more coordinated operation of existing projects. The Bureau is already doing system-wide analysis studies of these areas to define this possibility.

Q. Over the years there have been advocates of a so-called "market price" for water provided by Federal projects constructed by the Bureau of Reclamation. On the other hand, Congressional policy has been repeatedly expressed in many statutes that water should be delivered on a "cost of service" basis; particularly since often the Federal project is the sole supplier and the fact that the water does not belong to the Federal government in the first place. In your opinion, should the Federal government continue to honor contractual obligations or should the Federal government, as sovereign, unilaterally seek to change the terms of the contracts?

A. Senator, it would be illegal for me, or anyone else for that matter, to unilaterally abrogate a contract that was entered into in good faith by the federal government and a non-federal entity.

Q. There appears to be some confusion in both Congressional and Administration circles as to what constitutes "cost sharing" between the Bureau of Reclamation and project sponsors. Would you define what you consider to be cost sharing, front-end financing, and reimbursable costs?

A. Cost sharing is an overall term which covers this whole concept of the water user or local and State governments bearing part of the costs of constructing and operating a project.

Front-end financing occurs during the planning and coordination phases and is actually a water user contribution to the project which decreases the need for appropriation of federal funds.

Reimbursement refers to the more traditional form of cost sharing in which the project beneficiaries repay to the federal government some part of the original cost and the operation and maintenance expenses.

Q. Mr. Duval, it is my own belief that the Bureau of Reclamation program has been probably the most successful of any Federal program of its kind.

The program will pay back the Treasury either through direct payments or indirect returns such as taxes, increased economic activity, or other benefits attributable to the development of our Nation's resources, many times the entire Federal investment.

Perhaps it is because of its success that the Bureau has frequently been a popluar target of late on the floor of Congress, in the press, and certainly at the Office of Management and Budget. Yesterday's challenges of harnessing our mighty western rivers, the Columbia, the Colorado, the Snake, and the Missouri, have been met.

It is inevitable that the Bureau will change from a construct on agency to something more like a utility providing goods and services -- in the form of water and power and water storage -- to project participants.

I would be most interested in your thoughts as to the future orientation of the role that the Bureau will play in western water resources.

A. I am not so certain that I can accept the premise that planning and development missions of the Bureau are nearing an end. I say that out of a realization and appreciation of the critically dependent role water plays throughout most of the West. As long as the need for water continues to expand, I strongly feel that the Bureau of Reclamation has a major and a continued role in addressing our western water resource needs.

There is no question that the mission of the Bureau is evolving. The Bureau will have a major role as a water management agency much like a utility, focusing on improved efficiency of water use in the arid West. Future emphasis will be on improvement and better management of existing projects and systems. In the West, it is critically important that the Bureau protect, preserve, and improve utilization of the project facilities that are in place. As existing projects continue to age, and as improved technologies emerge, the Bureau should be expected to take a leading role in upgrading, in uprating, in dam safety, and in systems improvements aimed at improved water utilization, conservation, and quality practices.

However, we should recognize that one of the reasons for all this activity is to answer the increasing demand for water. Therefore, I still see an important role for the Bureau in planning and constructing projects . . . projects that will, in all likelihood, be smaller and economically and environmentally sound to meet local needs and to complement the existing facilities and capacities.

The increased competition for water and the resulting higher values relating to it will also enable the Bureau to continue to develop new or alternative means of water storage and conservation. As the value of water increases, as conservation becomes more critical, and as new technology is developed, concepts such as ground water restoration or recharge become more attractive throughout major portions of the West.

Answers to Questions for Mr. Duvall

from Senator Murkowski

1. Q. As Chairman of the Subcommittee on Water and Power during the 97th Congress and in this Congress, it has been my good fortune to visit several Bureau of Reclamation projects and to experience first-hand what these projects mean to the people that they serve. There are fourth generation family farmers working the land that was homesteaded by their great grandfathers -- land that would be otherwise unproductive had it not been for the efforts of the Bureau of Reclamation and the foresight of the Congress. Chances are that many older projects would, in fact, not be authorized under today's economic and budgetary considerations. But they are there, and many people's livelihoods depend upon their operation. What do you see as the Bureau's obligations to these people and their projects?

A. In my opinion, one of the most, if not the most, important obligations the Bureau has is to dam safety, not only for the protection of project beneficiaries but for every public interest and concern. Beyond that, the federal government should, to the extent possible, ensure that past commitments to project beneficiaries are honored. The federal government's investment in existing Bureau of Reclamation projects should be protected through sound engineering, economical operation and maintenance, and replacement practices.

2. Q. Our Nation's investment in the development of our natural resources is for the long term; benefits being measured in generations. I see no difference in the philosophical basis between the decision to make

substantial monetary investments in the development of reclamation projects and the investment of Federal funds in acquisition of National Park lands or the foregoing of revenues when areas of the public domain are declared wilderness. Both decisions are made in an effort to provide benefits for future generations. In the case of reclamation projects, the benefits are more tangible and are paid for by project beneficiaries while National Parks and similar resource commitments are, in effect, paid for by the Nation at large. I would be interested in your views as to this comparison and also you opinion as to continuing investment in reclamation facilities.

A. Your philosophical comparison of various federal investments in our Nation's natural resources is consistent with my views, and you have stated it more eloquently than I could. Both development and preservation of natural resources should be analyzed and evaluated in determining the benefits to future generations.

Having said that, I would follow to the second part of your question by adding that, to the extent that there is a continuing federal role in water resource development, the Bureau should be involved. As I have already indicated, the need for further development has not passed, but the nature of such development will likely be quite different in the future.

Answers to Questions for Mr. Duvall

from Senator DeConcini

1. Q. Would you please summarize for the record your attitudes and opinions with regard to Western reclamation projects and the Central Arizona Project in particular? If possible, could you outline the steps you might take in assuring the present construction schedule and planned water delivery dates for the CAP?

A. In my opening statement, I referred to myself as an advocate of the Bureau of Reclamation. I take that statement seriously. The Central Arizona Project has been authorized and the Federal share has been funded by Congress, with concurrence from the Executive Branch. I will honor these commitments.

It is my general feeling that construction delays almost always drive up total project costs. You have my assurance that once projects are approved, you will always find me supporting policies to complete them as early as possible under the law.

I believe that, with respect to the Central Arizona Project, the question of the construction schedule and planned water delivery dates would primarily involve two major programs; the canal project that is to deliver water to Tucson and the projects to be funded under Plan 6.

The Tucson program calls for water delivery by 1991. I am unaware of, and will work to eliminate any obstacle to meeting that objective.

The Plan 6 agreement is presently in the final negotiation stage. The final agreement, which will be submitted to Congress for approval, specifically addresses the issue of timely completion of the Plan 6 projects.

The Plan 6 funding participants, who are vitally concerned that the construction be completed on schedule, have designed into the negotiated agreement certain incentives to encourage the Bureau and the Federal Government to complete the projects on schedule.

If the Plan 6 agreement is approved, I will consider timely completion to be an obligation.

2. Q. How do you feel about the payment of market interest rates from beneficiaries of reclamation projects? If you could, I would appreciate your response in terms of municipal and industrial users; irrigation water service; and whether or not you see a distinction between ongoing projects and those which have not yet been authorized.

A. Both the Administration and Congress have been searching for appropriate program areas where market interest rates could be inserted in lieu of concessional or no-interest rates.

At the present time, I understand that irrigation water services is by law exempted from interest on the portion of project costs allocated for repayment. Based upon my understanding of the financial plight of the family farmers, I do not know whether these water users could survive under market interest rates.

Charging market interest rates on repayment irrigation features could act as a disincentive for local beneficiaries to participate productivity under a Reclamation program.

I will look at cost-sharing arrangements, including the application of market interest rates, on a case-by-case. But I will also honor prior commitments.

3. Q. What are your views on cost-sharing as it relates to the construction of new reclamation projects? What about cost-sharing for those projects which are already authorized and under construction?

A. As Federal dollars become more scarce for public works type construction activities, cost-sharing, on a case-by-case basis by non-Federal entities will become more and more important. Although I'm not familiar with the details of the Plan 6 cost sharing proposal, the total number of dollars that the project beneficiaries plan to put up-front is impressive.

In regard to projects already authorized and currently under construction, I will honor the commitments that have been made, unless directed by Congress to do otherwise.

I fear that to apply cost-sharing to projects already under construction could be inconsistent with commitments already made.

4. Q. Could you describe what you perceive to be the appropriate role for the States in water resource planning and the planning of water resource development programs?

A. Currently, the States and other non-federal interests are being required to participate, in a very significant way, in funding not only projects but also the planning costs associated with possible projects. I understand that the Bureau is experiencing a growing interest on the part of the States and other funding participants in the conduct of the related planning and in the construction itself. I will support these efforts.

5. Q. Would you be prepared to support full funding for the Reclamation Safety of Dams program?

A. I have already come to the conclusion that if I am confirmed as Commissioner of Reclamation, one of my highest priorities must be to make certain that the projects the Bureau currently has out there are safe. If we find that certain projects are not safe, we must take appropriate steps to make sure that the public is protected.

At the present time, the Bureau is in the midst of a multi-year program to upgrade safety of dams. The current funding requirement for that program requires 15% of the cost to be borne by project beneficiaries. I understand this requirement is Congressionally mandated.

6. Q. Could you tell me what you perceive your role will be as Commissioner of the Bureau of Reclamation with reference to interaction with the Assistant Secretary for Water and Science and the regional offices of the Bureau of Reclamation?

A. I anticipate having a close working relationship with the Assistant Secretary for Water and Science. Mr. Broadbent's earlier experience as the Commissioner will serve as valuable counsel to me if I am confirmed.

The regional offices are where the projects are located and they work closely with the user groups. The Washington Office assists in policy determinations and congressional liaison, the regional directors have the most important jobs of implementing the policies and of creating, operating, and maintaining the Bureau projects. They are the frontline, so to speak, and in situations where I will have to make important decisions, their opinions and options will play a vital role in the decisionmaking process.

7. Q. Are you prepared to support full funding for reclamation projects which are already underway to assure timely completion?

A. Without having looked at any of the reclamation projects in detail, it is difficult for me to answer affirmatively to this question. I am prepared, however, to evaluate each project carefully and, to the extent possible, see that projects are completed in the earliest and most cost-effective manner possible.

You have my continued assurance that I will honor current Federal commitments and I will endeavor to follow the law to implement funding to the extent authorized in order to effect timely completion of all projects.

8. Q. Do you have a position on groundwater recharge as a feasible means of enhancing our nation's water supplies? Would you as Commissioner press for continued progress on this program?

A. It is my understanding that the Bureau, in conjunction with the Geological Survey, is engaged in a series of Congressionally approved demonstration projects dealing with groundwater recharge.

Those demonstration projects will be closely monitored to evaluate economical and ecological impact. I believe these experiments in groundwater recharge will serve as barometers to determine whether this nation may eventually look toward groundwater recharge to replenish diminishing water supplies through vast areas of the West.

I will aggressively support retention of the project so long as there appears to be either a scientific objective or an economically and environmentally justifiable purpose to be achieved.

9. Q. Do you feel you have a role to play in helping to resolve outstanding Indian water disputes? Please explain.

A. Secretary Hodel has made Indian water rights one of his priorities in the Department. If confirmed as Commissioner of the Bureau of Reclamation, I would assist the Secretary in seeking negotiated settlements to these disputes rather than the alternative of prolonged litigation.

10. Q. Do you see the role of the Bureau of Reclamation expanding, decreasing or staying about the same in the future? What role do you feel the Bureau can play in helping to resolve this country's water resource problems? Are there any changes you may implement as Commissioner which you feel could better serve the country? If so, please explain.

A. As the Bureau of Reclamation's role evolves, I believe it will continue to play a strong role in meeting the future water needs of the West. The Bureau holds a tremendous amount of expertise in the engineering field and hydrology. It continues to be both a National and a world resource.

We expect that the size of the Bureau's construction program will begin to shrink as the Central Arizona Project, Central Utah Project and Central Valley Projects near completion. Only smaller projects seem to be properly positioned for future development. If the current groundwater demonstration program proves a success, it could well be that the Bureau will redirect significant future resources into groundwater recharge projects and groundwater quality improvements. Also, the Bureau now has a significant responsibility to operate and maintain the viability of the system already in operation.

The Bureau is in place. The Bureau is already qualified. It has the expertise and the practiced ability to address the future water needs of the Nation, whatever and wherever those needs may exist. So long as the Nation, and particularly the Western States, continues to experience need for water in ever-increasing quantity, there will continue to be a need for the Bureau and the resources and manpower expertise the Bureau represents.

POST-HEARING QUESTIONS AND ANSWERS

RELATING TO THE

DECEMBER 12, 1985 CONFIRMATION HEARING

MARY L. WALKER

NOMINEE FOR ASSISTANT SECRETARY

ENVIRONMENT, SAFETY AND HEALTH

DEPARTMENT OF ENERGY

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES

UNITED STATES SENATE

QUESTIONS FROM SENATOR McCLURE

Question 1: What is the purpose and focus of DOE's proposed Environmental program and what is its current status?

Answer: As a principal element of the Secretary's plan to strengthen the Department's environmental, safety and health program, the Environmental Survey is designed to identify and prioritize areas of existing environmental concern and risk DOE-wide. The results of the Survey will enable the Department to develop comprehensive, long-range planning for correcting environmental problems and reducing environmental risks. The Survey will cover all areas of environmental regulation but is expected to focus on hazardous waste.

The onsite activities of the Environmental Survey are scheduled to begin in August 1986. Currently, several planning efforts are ongoing including the assembly and analysis of existing information and the convening of an intra Departmental task force in late January 1986. Field office input will be received through this process. Additionally, personnel are being hired and contractor and laboratory support secured.

QUESTIONS FROM SENATOR McCLURE

Question 2: What is the scope of the department's environmental program:
a. Is the program on schedule?
b. Has funding for this program been identified and made available?

Answer: The Environmental Survey will cover about 40 DOE sites, all media (air, water, and soil), and all areas of environmental regulation.

The Survey program is on schedule and it is my understanding that adequate funding will be made available.

* No question 3 received

QUESTIONS FROM SENATOR McCLURE

Question 4: What steps have been taken to ensure that the results of the program will find technical acceptance at the Environmental Protection Agency?

Answer: Although the Environmental Survey is intended primarily for use by DOE managers and personnel, it is my intent that it will conform to applicable policies, guidance, and requirements of the Environmental Protection Agency (EPA). In addition, with respect to the survey of individual sites, DOE plans to consult with EPA and state regulatory agencies to ensure that their particular concerns pertaining to DOE sites are considered in planning and conducting the Survey.

Question 5: What is the role your environmental program will play in the navy reactor and weapons program area?

Answer: The Environmental Survey effort will cover all DOE programs including the Naval Reactors Program and the Military Application Program.

QUESTIONS FROM SENATOR McCLURE

Question 6: Are you satisfied that DOE's overall program that measures and assigns personnel exposure to radiation is carried out on a sound technical basis?

a. If the answer is "yes," please explain the basis on which you make this conclusion.

b. If the answer is "no," please describe the steps you intend to take to correct this situation.

Answer: I have been advised by my staff that the Department's overall program to measure and assign exposures to radiation is carried out on a sound technical basis, within state-of-the-art technology. Dosimetry systems and instrumentation in use by DOE operations to determine worker exposures are routinely tested to ensure consistency with performance specifications contained in nationally recognized standards such as those published by the American National Standards Institute. These standards for performance are based on current state-of-the-art technology.

However, I am advised that within the national/international scientific community, there is concern that certain technology deficiencies exist that impact on the ability to accurately assess worker radiation exposure in some areas.

Therefore, a program to develop new concepts and to engineer new systems for use in worker radiation protection programs has been recognized as needed. DOE has initiated programs to carry this out. These measurement programs are the key to worker protection and I view this as a priority effort.

Question 7: If the answer to Number 6 is "yes," would DOE's personnel radiation monitoring program withstand scrutiny by the legal and technical community?

Answer: As indicated in the answer to the previous question, we are using current state-of-the-art measurement technology. At the same time, we are researching new technology that will be implemented when it becomes available. I have been advised by my staff that this approach has withstood the scrutiny of the technical community.

POST-HEARING QUESTIONS AND ANSWERS

RELATING TO THE

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UNITED STATES SENATE

QUESTION FROM SENATOR MCCLURE

Government Service

Question: I'd like a little background about your government service, first at DOJ, and then at Interior, and now at DOE. When did you join DOJ and what were your responsibilities?

Answer: I joined the Department of Justice in August, 1982 as a Deputy Assistant Attorney General in the Land and Natural Resources Division. I was responsible for supervising three sections (Environmental Enforcement, Environmental Defense, and Wildlife and Marine Resources), approximately 2,500 cases and matters and over 100 attorneys and support staff.

QUESTION FROM SENATOR MCCLURE

Government Service

Question: Tell me a little more about your day to day activities.

Answer: My principal duties concerned the prosecution of environmental enforcement litigation. I approved the filing of enforcement actions, briefs, consent decrees and settlements. I was often asked to resolve disputes concerning novel legal issues and to intervene to facilitate enforcement progress in cases that had encountered delays. I personally handled certain negotiations concerning steel companies' compliance with the Clean Air Act. Lastly, I did considerable traveling in two capacities: As head of recruiting for the Lands Division, I was responsible for the Honors Graduate Program, and at my supervisor's request, did all interviewing of western law school candidates in this program. In addition, in attempting to build a strong DOJ-EPA enforcement program, I traveled to EPA's ten Regional Offices on a regular basis in order to encourage enforcement activity and to work with the Regional Offices to improve the relationship between the two agencies in this area.

QUESTION FROM SENATOR MCCLURE

Government Service

Question: You were the Deputy Solicitor at the Department of Interior and now you're at DOE. When did you come to DOE and in what capacity?

Answer: I joined DOE as a Consultant to the Secretary for environmental and safety matters in June 1985, on detail from the Department of Interior.

QUESTION FROM SENATOR MCCLURE

Government Service

Question: You are here today as the President's nominee to be Assistant Secretary for Environment, Safety and Health. It is my understanding that this is a new position. Can you tell us about it?

Answer: The Assistant Secretary for Environment, Safety and Health will be the principal advisor to the Secretary for assuring conformance of the Department's activities with all applicable environmental laws and regulations and health and safety requirements. If confirmed I will also be responsible for assuring that national environmental protection goals are incorporated into the formulation and implementation of energy programs. The Secretary will also look to me to assure that environmental and safety concerns are identified, prioritized, and addressed through corrective and remedial actions, and areas of environmental safety risk are reduced.

The Assistant Secretary will have responsibility for developing policy options for the Department on the effects of National environmental policy on U.S. energy industries and energy supply and demand, and for providing liaison with other federal agencies, such as EPA, concerning regulatory efforts.

The Assistant Secretary will oversee and assure the development of Departmental policies, standards and guidance for environmental, safety and quality assurance programs, and provide the field and program offices with assistance, including technical expertise, in the implementation of those policies, standards and guidance.

Further, the Assistant Secretary will oversee and maintain independent audit and appraisal programs to assess compliance with all applicable environmental, safety and quality assurance requirements, policies and standards, will oversee the planning, management and maintenance of resources for the radiological preparedness aspects of Departmental response to accidents and incidents, will oversee the Departmental environmental, safety, health and quality assurance training programs, and will act as advocate and spokesman for the Department's positions on environmental, safety and quality assurance issues.

The Assistant Secretary will represent the Department on interagency, national and international environmental and safety committees and working groups, exercise independent review and approval of environmental impact statements prepared by the Department pursuant to the National Environmental

Policy Act, exercise concurrence authority with respect to the safety related aspects of the construction and initial operating authorizations for reactors, high hazard and selected moderate hazard nuclear facilities, and establish and maintain a tracking system for environmental and safety information in order to monitor compliance and reduce areas of environmental, safety and health risks.

QUESTION FROM SENATOR MCCLURE

Government Service

Question: As you mentioned in your opening statement, Secretary Herrington has announced major new initiatives that strengthen the ES&H function at the Department. One is the Environmental Survey. Can you describe in more detail what this is and how it will be implemented?

Answer: The Environmental Survey is a system-wide, baseline inventory of current environmental problems and areas of potential environmental risk existing at DOE facilities. It will include site inspections by five DOE ES&H led, contractor assisted, teams and site sampling and analysis sufficient to prioritize areas of concern for corrective action remaining to be done at DOE sites. All environmental media (air, water, soil) and all areas of environmental regulation will be covered. Planning for this effort has been ongoing for several months. The onsite activities are expected to begin in fiscal 1986. The final report is expected to be completed at the end of 1988. The Survey is supplemental to current environmental cleanup activities.

QUESTION FROM SENATOR MCCLURE

The House Judiciary Report/Fall 1982-Spring 1983

Question: Can you tell us about your role at the Department during this period?

Answer: As the Deputy Assistant Attorney General responsible for the government's environmental litigation, during this period, I was primarily concerned with the development of a strong federal environmental enforcement program and the successful prosecution of EPA's enforcement cases.

QUESTION FROM SENATOR MCCLURE

The House Judiciary Report/Fall 1982-Spring 1983

Question: I'd like to go back to the time of your position at DOJ. The House Judiciary Committee has released a three volume report on the Department's role in the withholding of EPA documents from Congress in 1982. Ms. Walker are you familiar with that report?

Answer: Yes.

QUESTION FROM SENATOR MCCLURE

The House Judiciary Report/Fall 1982-Spring 1983

Question: I don't want to get into the whole issue of Executive Privilege. That is not why we are here. What I'd like to know is were you involved in this Executive Privilege claim and, if so, what was your role?

Answer: When EPA received the requests for documents from the Dingell and Levitas Committees in September 1982, EPA consulted with the Department of Justice prior to responding. At the time, I was a Deputy Assistant Attorney General in the Lands Division responsible for environmental litigation, a position I had assumed the previous month.

In reviewing the Committees' requests, Lands Division attorneys under my supervision raised the concern that release of some documents covered by the requests might compromise their ability to successfully prosecute the government's hazardous waste cases. My office discussed this concern with EPA and other offices in the Department of Justice, including the Office of Legal Counsel, which was concerned that the release of such documents might violate the President's executive privilege. I attended meetings, primarily as an observer and notetaker, in which such privilege was discussed.

Prior to the assertion of executive privilege before the Dingell Committee, I reviewed documents which were subject to the Committee's request and which had been determined to be enforcement sensitive by EPA and DOJ attorneys. I later reviewed additional documents pertaining to the Levitas request.

QUESTION FROM SENATOR MCCLURE

The House Judiciary Report/Fall 1982-Spring 1983

Question: There are allegations in the report of political considerations given to settlement of toxic waste cases. Were you aware of any such considerations? What were the circumstances? How did you react?

Answer: Approximately one month after I joined the Department of Justice, I attended a meeting with EPA and DOJ representatives concerning a particular hazardous waste case that had encountered delays and problems associated with settlement negotiations and the prosecution of the enforcement action. During the course of this meeting an EPA staffer raised the issue of political considerations and a DOJ attorney indicated his view that efforts to vigorously prosecute the case would diminish after the November elections. I was outraged at the suggestion that political considerations would have a role in the prosecution of the government's environmental litigation, and exclaimed that this would not be a consideration as long as I was a Deputy in the Lands Division.

QUESTION FROM SENATOR MCCLURE

Role of Congress Concerning Oversight

Question: Ms. Walker, if confirmed in your new position at DOE, what do you see as your role with regard to Congress?

Answer: As Assistant Secretary for Environment, Safety and Health, I would expect to keep Congress appraised of the Department's efforts and progress toward complying with environmental and safety requirements, as well as any other matters related to the Office's function in this important area. If confirmed, I would cooperate fully in responding to all areas of concern raised by Congress.

QUESTION FROM SENATOR MCCLURE

Role of Congress Concerning Oversight

Question: And what is your view on Congress' oversight role in the environmental area?

Answer: Congress has an important role in the oversight of the nation's environmental laws and in assuring compliance with the policies and programs it has set forth in those laws to protect our natural resources and environment. I look forward to working with the Committee to assist it in whatever manner to accomplish this task.

QUESTION FROM SENATOR BUMPERS

Justice Department Role In Executive Privilege Determination:

Question: Please describe your role in the development of the Justice Department decision to withhold EPA documents from Congressional investigations of Anne Burford and Rita Lavelle in 1982.

Answer: When EPA received the requests for documents from the Dingell and Levitas Committees in September 1982, EPA consulted with the Department of Justice prior to responding. At the time, I was a Deputy Assistant Attorney General in the Lands Division responsible for environmental litigation, a position I had assumed the previous month.

In reviewing the Committees' requests, Lands Division attorneys under my supervision raised the concern that release of some documents covered by the requests might compromise their ability to successfully prosecute the government's hazardous waste cases. My office discussed this concern with EPA and other offices in the Department of Justice, including the Office of Legal Counsel, which was concerned that the release of such documents might violate the President's executive privilege. I attended meetings, primarily as an observer and notetaker, in which such privilege was discussed.

Prior to the assertion of executive privilege before the Dingell Committee, I reviewed documents which were subject to the Committee's request and which had been determined to be enforcement sensitive by EPA and DOJ attorneys. I later reviewed additional documents pertaining to the Levitas request.

QUESTION FROM SENATOR JOHNSTON

House Judiciary Committee Report

Question: On December 5, 1985, the House Judiciary Committee approved a report on the role of the Department of Justice in the constitutional confrontation over the withholding of EPA documents from Congress in 1982-83. Please describe your role in the development and defense of the Department's determination to withhold the documents and in the subsequent decision to turn over the documents.

Answer: When EPA received the requests for documents from the Dingell and Levitas Committees in September 1982, EPA consulted with the Department of Justice prior to responding. At the time, I was a Deputy Assistant Attorney General in the Lands Division responsible for environmental litigation, a position I had assumed the previous month.

In reviewing the Committees' requests, Lands Division attorneys under my supervision raised the concern that release of some documents covered by the requests might compromise their ability to successfully prosecute the government's hazardous waste cases. My office discussed this concern with EPA and other offices in the Department of Justice, including the Office of Legal Counsel, which was concerned that the release of such documents might violate the President's executive privilege. I attended meetings, primarily as an observer and notetaker, in which such privilege was discussed.

Prior to the assertion of executive privilege before

the Dingell Committee, I reviewed documents which were subject to the Committee's request and which had been determined to be enforcement sensitive by EPA and DOJ attorneys. I later reviewed additional documents pertaining to the Levitas request.

QUESTION FROM SENATOR JOHNSTON

House Judiciary Committee Report

Question: Did you at any time during your involvement in this matter make a false statement or false certification to Congress, to any Court, or to any person investigating this matter?

Answer: To the best of my knowledge I have never intentionally made a false statement or certification.

QUESTION FROM SENATOR JOHNSTON

House Judiciary Committee Report

Question: Did you at any time during your involvement in this matter consciously take actions to mislead Congress, any Court, or any person investigating this matter?

Answer: No. I have made every effort to be forthcoming at all times.

QUESTION FROM SENATOR JOHNSTON

House Judiciary Committee Report

Question: According to the report, you, along with six other individuals, signed a certification that documents being withheld from the Dingell Subcommittee did not contain any evidence of misconduct. Yet, the report indicates that some of the withheld documents contained "political references," which according to the Committee indicated improper political manipulation of Superfund enforcement.

Were you aware of the "political references" at the time you signed the certification?

Answer: No. In this regard, even the House Judiciary Report indicates that I was not aware of any political references in the documents in December 1982, when the certification was signed. (See Vol. 2 p.366-368 of the House Judiciary Committee's report.)

QUESTION FROM SENATOR JOHNSTON

House Judiciary Committee Report

Question: Didn't you review the withheld documents carefully?

Answer: Yes, at the time I believed I reviewed them carefully.

QUESTION FROM SENATOR JOHNSTON

House Judiciary Committee Report

Question: According to the House Judiciary Committee report, you and several other officials became aware of the "political references" some time before you made the documents available to Congress.

When did you first become aware of "political references" in the withheld documents?

Answer: To the best of my recollection, it was February 1983.

QUESTION FROM SENATOR JOHNSTON

House Judiciary Committee Report

Question: Why didn't you immediately notify the Congress or provide the documents to Congress when you became aware of the "political references?"

Answer: It was my understanding that appropriate Department officials were taking steps to release such documents to Congress.

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UNITED STATES SENATE

QUESTION FROM SENATOR JOHNSTON

NEPA

Question: Secretary Herrington's September 18, 1985, statement on restructuring DOE's environmental programs does not mention NEPA.

Do you regard the NEPA process as an important source of comment and review of agency planning at the programmatic and project levels? Please explain.

Answer: Yes, I consider the National Environmental Policy Act (NEPA) process to be a valuable source of information in an agency's planning and decision-making process, and I anticipate that public review and comment on NEPA documents will assist me in meeting my responsibilities to advise the Secretary on environmental matters. Such public input can be useful at both the programmatic and the project stage of an activity.

QUESTION FROM SENATOR JOHNSTON

NEPA

Question: What steps are you going to take to improve DOE's compliance with NEPA?

Answer: First, let me say that I believe the Department has a strong NEPA compliance program with effective oversight by the Office of Environment, Safety, and Health. If confirmed, I intend to assure that this oversight function remains strong and effective in assuring that DOE fully comply with NEPA. One step I think could be taken to improve DOE's NEPA process is to make greater efforts to initiate NEPA reviews earlier in DOE program and project planning to assure timely preparation of NEPA documents.

QUESTION FROM SENATOR JOHNSTON

NEPA

Question: For example, when does DOE plan to initiate an environmental impact statement on its proposed new plutonium production reactor?

Answer: It is my understanding that the Department is not yet ready to propose a project for a new production reactor. Any such proposal would be accompanied by the appropriate NEPA documentation. Although a number of studies are underway to develop data, until a proposal is formulated, it would be premature for the Department to initiate preparation of a NEPA document.

QUESTION FROM SENATOR JOHNSTON

NEPA

Question: How would you plan to improve the quality of state and other public involvement in DOE environmental programs?

Answer: I fully support the Secretary's commitment that DOE will be a responsible neighbor in the states in which we conduct activities. Toward that cooperative approach, I believe the NEPA process provides meaningful opportunities and a variety of mechanisms for public and state involvement in DOE environmental programs. In addition, if confirmed, I would encourage ongoing dialogue with the States in order to receive their views in this area. The Secretary has already initiated a dialogue with the environmental community; I would expect that to continue. If confirmed, I would explore options for encouraging greater public involvement, as appropriate, in DOE planning and decision-making with respect to environmental programs.

QUESTION FROM SENATOR JOHNSTON

Resource Conservation and Recovery Act (RCRA)

Question: What is your view about the applicability of the Resource Conservation and Recovery Act to DOE facilities? Haven't the courts ruled that DOE must comply with RCRA?

Answer: It is my understanding that RCRA is applicable to hazardous wastes generated at DOE facilities with the exception of source, special nuclear, or byproduct material, as defined by the Atomic Energy Act of 1954, as amended (68 Stat. 923) [Section 1004 (27) of RCRA]. DOE has recently issued a proposed rulemaking (50 FR 45736, November 1, 1985) which is intended to clarify the definition of "byproduct material" in terms of its applicability to radioactive waste in order to determine which of these wastes are "byproduct material" and are therefore exempt from certain provisions of RCRA. DOE has coordinated this effort with the Environmental Protection Agency.

The United States District Court for the Eastern District of Tennessee has determined that RCRA is applicable to DOE within the terms of the statute (Legal Environmental Assistance Foundation, Inc. (LEAF) v. Hodel, 586 F.Supp.1163 (1984)); that is, RCRA is applicable to hazardous wastes generated by DOE except for those wastes excluded under the Act (source, special nuclear, and byproduct material).

QUESTION FROM SENATOR JOHNSTON

Resource Conservation and Recovery Act (RCRA)

Question: Has DOE applied for RCRA permits at all sites where toxic wastes covered by RCRA have been stored? If not, why not?

Answer: To the best of my knowledge, and based upon information obtained by the Office of Environment, Safety and Health from DOE field offices, DOE has applied for RCRA permits at all sites where hazardous wastes covered by RCRA have been stored.

QUESTION FROM SENATOR JOHNSTON

Resource Conservation and Recovery Act

Question: What is the relationship of the Department's obligations under RCRA and the environmental survey of DOE facilities recently announced by Secretary Herrington?

Answer: As a part of the Environmental Survey, the Department will be reviewing both inactive and active hazardous waste sites, including treatment, storage, and disposal facilities covered by the RCRA regulations, in order to identify any compliance problems or potential areas of risk.

QUESTION FROM SENATOR JOHNSTON

DOE Record in Tennessee

Question: One of the biggest obstacles to the siting of the Monitored Retrievable Storage (MRS) facility the Department has under consideration for packaging nuclear waste in Tennessee is the experience of that State with DOE disposal practices in the past for other kinds of waste. Are you aware of the complaints in the State regarding these practices?

Answer: Yes, I am generally aware of the concerns of the State of Tennessee with respect to past waste disposal practices at Oak Ridge.

QUESTION FROM SENATOR JOHNSTON

DOE Record in Tennessee

Question: What is being done now to improve this record, and what more would you do if you are confirmed?

Answer: With regard to the proposed Monitored Retrievable Storage (MRS) facility, I believe the Department intends to be responsive to the concerns of the State of Tennessee. As you know, the Nuclear Waste Policy Act of 1982 requires that an environmental assessment accompany the MRS proposal to Congress. It is my understanding that the State has been afforded the opportunity to work with and review preliminary documents, including the environmental assessment. I can assure you that I would work with other key officials at DOE to give careful consideration to any comments the State may provide.

I believe that DOE must thoroughly and expeditiously assess the environmental conditions at each of its facilities and prioritize necessary corrective actions Department-wide in order to best address existing and past problems. Through this process, DOE's waste disposal practices would be brought into conformance with all applicable laws, regulations and guidelines. To the extent the practices you refer to are part of the "legacy of the past" it may take time to implement all necessary corrective measures. If confirmed, I intend to place a high priority on

assuring that current environmental problems are expeditiously addressed and future problems are avoided to the maximum extent possible. This is, in fact, one of the goals of the new Environmental Survey.

QUESTION FROM SENATOR JOHNSTON

FERNALD

Question: There has been a great deal of controversy over emissions of uranium dust at the Feed Materials Production Center at Fernald, Ohio. What has been the nature and extent of off-site contamination from this facility?

Answer: It is my understanding that DOE is currently assessing the off-site contamination.

QUESTION FROM SENATOR JOHNSTON

FERNALD

Question: What rating has DOE given this facility in the past in terms of protection of public health and safety? What is the current rating?

Answer: I understand that the overall Environment, Safety and Health rating from DOE's Oak Ridge Operations Office for FMPC for the past two rating periods has been "satisfactory." The environmental component, however, was "unsatisfactory." In the rating periods preceding the last two, FMPC had received overall "excellent" ratings. As a result of the poor environmental performance, the contractor, N.L.O., Inc., received no award fee for the period of October 1, 1984, through March 30, 1985. N.L.O., Inc. did not seek renewal of its contract.

QUESTION FROM SENATOR JOHNSTON

FERNALD

Question: What actions do you intend to take:
(a) to clean up the damage that has been done?
(b) to restore public confidence in DOE management?
(c) to work out solutions to environmental problems at Fernald with other interested state and federal agencies?

Answer: (a) I have been advised and understand that work is currently in process to improve FMPC's environment, safety and health performance, and to correct specific deficiencies, including installation of new bags in the bag houses, new, improved filters, and an improved monitoring program that includes better sampling locations and off site monitors. DOE has also prepared a comprehensive five-year plan (now being reviewed in draft form) for FMPC. The plan is designed to reduce emissions from the production operation, and provides for characterization of waste storage areas and any ground water contamination so that any necessary remedial actions can be defined. While the actual implementation of remedial actions will not be within my responsibilities, if confirmed, I will examine these planned efforts closely in order to assure that all necessary measures are being taken for the protection of the public health and the environment. I would further make ES&H's technical advice and assistance available to those responsible for the cleanup.

(b) DOE has secured the services of a new contractor (Westinghouse) with extensive environmental experience and a commitment to improving the environmental performance of FMPC. In addition, I understand that the DOE Operations Office is holding public meetings in order to communicate the positive steps that the Department is taking to correct past problems and avoid new ones. DOE is also taking steps to improve its relationship with representatives of the FMPC labor force in an effort to be responsive to labor's concerns. I believe these are good first steps. However, restoration of public confidence is a long term task. There are no easy fixes. The core of confidence is trust. I believe that trust will be returned only when people know that DOE facilities are being operated in compliance with the law and in a way that is designed to minimize environmental risks. If confirmed, I intend to do everything in my power to assure that DOF operations are being so conducted. Further, I am committed to encouraging a "standard of excellence" in environment and safety matters at DOE.

(c) I understand that DOE is in constant contact with the state and federal regulatory authorities involved with FMPC, and that those discussions cover

a range of environmental concerns and compliance matters. I believe that this dialogue should be continued. More importantly, however, the purpose of the dialogue should be to share knowledge and concerns, to develop a relationship of mutual respect and trust, and to work together to develop permanent solutions to the problems that are identified at the site. If confirmed, I intend to try and further facilitate such an understanding.

QUESTION FROM SENATOR JOHNSTON

Program Restructuring

Question: Prior to your nomination as Assistant Secretary for Environment, Safety and Health weren't you involved in planning the restructuring of the Department's environmental, safety and health program?

Answer: Yes.

QUESTION FROM SENATOR JOHNSTON

Program Restructuring

Question: Describe your role in designing this restructuring and tell the Committee what you think are the main improvements that will result from it.

Answer: My role was that of a consultant; I was asked to review the environment and safety functions within the Department and the current organization and to make recommendations, in consultation with other knowledgeable persons, for improvements in these functions. All of my recommendations were adopted by the Secretary.

I believe the main improvements are three: the reorganization and strengthening of the Department's environment and safety functions; the conduct of the Environmental Survey; and the conduct of "hands on" Technical Safety Appraisals of the Department's nuclear facilities. These improvements were designed to remedy any deficiencies in the prior ES&H organization, to integrate environmental and safety considerations into the Department's activities and decisions at all levels, and to provide a "baseline" of environmental and safety data and information concerning all of the Department's facilities in order to monitor and correct existing problems and to reduce areas of potential risk.

Thus, existing problems will be identified, prioritized, and corrected; the risk of any future problems will be minimized; and ES&H will have a strong voice in the Department's decision-making at all levels.

QUESTION FROM SENATOR JOHNSTON

Program Restructuring

Question: Some of the ideas for this restructuring came from a report prepared by Dr. James Kane, an experienced DOE manager. What were the main recommendations of the Kane report?

Answer: Dr. Kane made eight recommendations. He considered the first two "by far the most important." They are:

(1) Revitalize the Environment, Safety and Health Office. Make the organization "more aggressive in establishing safety and environmental policy" and exercise "far greater initiative in dealing with the EPA." Specifically, he recommended that the ES&H office be placed at a more prominent organizational level and that it have "hands-on safety oversight."

(2) Establish organizational responsibility and budget strategy for environmental cleanup. He said that the Department needs "a comprehensive, well-planned approach to handling the cleanup of sites to meet environmental requirements."

QUESTION FROM SENATOR JOHNSTON

Program Restructuring

Question: Were all the recommendations of the Kane report adopted? If some were not, please explain why.

Answer: All of Dr. Kane's eight recommendations -- and more -- were adopted. Some of these, of course, necessitate further planning and action in order to implement them. For example, the Environmental Survey, which was recommended as the first step in a "comprehensive, well-planned approach to handling the cleanup of sites," is currently in the detailed planning stages. The onsite activities are expected to begin in mid 1986.

Within Dr. Kane's eight recommendations, some minor specific options or suggestions are still being reviewed. These are, for example, sponsoring a program of research on selected topics, and encouraging intergovernmental personnel exchanges.

QUESTION FROM SENATOR JOHNSTON

Job Definition

Question: Define the job you will be doing if confirmed.

Answer: As Assistant Secretary for Environment, Safety and Health, I will be the principal advisor to the Secretary for assuring conformance of the Department's activities with all applicable environmental laws and regulations and health and safety requirements. In that regard, I will be responsible for assuring that national environmental protection goals are incorporated into the formulation and implementation of energy programs; assuring that environmental and safety concerns are identified, prioritized and addressed through corrective and remedial actions, and areas of environmental and safety risk are reduced; and for developing policy options for the Department on the effects of National environmental policy on U.S. energy industries and energy supply and demand; and, providing liaison with other federal agencies, such as EPA, concerning regulatory efforts.

It will be my job to oversee and assure the development of Departmental policies, standards and guidance for environmental, safety and quality assurance programs, and provide the field and program

offices with assistance, including technical expertise, in the implementation of those policies, standards and guidance.

I will further oversee and maintain independent audit and appraisal programs to assess compliance with all applicable environmental, safety and quality assurance requirements, policies and standards, oversee the planning, management and maintenance of resources for the radiological preparedness aspects of Departmental response to accidents and incidents, oversee the Departmental environmental, safety, health and quality assurance training programs, and act as advocate and spokesman for the Department's positions on environmental, safety and quality assurance issues.

As Assistant Secretary, I will represent the Department on interagency, national and international environmental and safety committees and working groups, exercise independent review and approval of environmental impact statements prepared by the Department pursuant to the National Environmental Policy Act, exercise concurrence authority with respect to the safety related aspects of the construction and initial operating authorizations for reactors, high hazard and selected moderate hazard nuclear facilities.

QUESTION FROM SENATOR JOHNSTON

Job Definition

Question: For example, what will be your authority with respect to other line managers in the Department, such as the Assistant Secretary for Defense Programs or the Director of the Office of Civilian Radioactive Waste Management?

Answer: The Assistant Secretary for Environment, Safety and Health will have equal authority to the other Secretarial Officers in the Department, and will have direct access to the Secretary and Under Secretary to assure that environmental and safety issues are being properly considered and addressed. I will be expected to make recommendations with respect to safety and environmental issues, and in certain instances will have concurrence authority.

QUESTION FROM SENATOR JOHNSTON

Relationship to NRC and EPA

Question: Please describe the kind of relationship you would like the Department and Environment, Safety and Health to have with the Environmental Protection Agency and the Nuclear Regulatory Commission.

Answer: If confirmed I intend to work diligently to foster a close, cooperative relationship with the Environmental Protection Agency (EPA) on environmental matters. I supervised EPA's litigation as a Deputy with the Department of Justice and worked closely with the enforcement staff there. I have a great respect for the agency and believe strongly in its mission. Moreover, EPA is a tremendous repository of technical expertise in the environmental field. I understand that it is EPA's policy to share that expertise with other governmental agencies. If confirmed, I would encourage DOE to take advantage of that policy.

I believe that DOE's mission is consistent with EPA's; it is imperative that DOE conduct its operations in compliance with environmental laws and regulations. DOE must be a good environmental manager as well, which means that it must manage its operations so as to limit and

avoid, and mitigate past environmental problems. I believe that close cooperation with EPA is important in this regard.

The DOE relationship with the Nuclear Regulatory Commission (NRC) is important, too. While NRC and DOE have regulatory oversight over different industrial operations, DOE and NRC regulations are derived from the same national and international guidance. Both draw upon the same expertise at the national laboratories, the universities, and industry. As Assistant Secretary for Environment, Safety and Health, I would expect NRC to continue to have access to the expertise in DOE laboratories, and for DOE to continue to help solve problems at NRC-licensed facilities, and to provide emergency response expertise to the Commission and its licensees.

Both DOE and NRC have important roles in the implementation of the Nuclear Waste Policy Act of 1982 which addresses the disposal of high-level waste and spent nuclear fuel from NRC-licensed commerical facilities and from DOE operations. I would not expect to duplicate the oversight for this program to the extent that it is provided by NRC pursuant to the Act.

QUESTION FROM SENATOR JOHNSTON

NRC Regulatory Authority

Question: What is your view of the wisdom of bringing all DOE civilian nuclear facilities under the regulatory authority of the Nuclear Regulatory commission? What are the advantages and disadvantages of NRC regulation from your perspective as an environmental and safety advocate within the Department?

Answer: I believe that the basic separation of responsibility between NRC and DOE for civilian nuclear facilities is sound. Under that structure, unique facilities operated by DOE for purposes such as experimental research, and tests are not subject to NRC review, while commercial operations as well as demonstration reactors potentially leading to commercialization are. This allows the NRC to efficiently focus its resources on sets of facilities with often similar problems, and avoids the need for the NRC to establish an infrastructure duplicative of DOE for facilities which, by their nature, are not often duplicated or ready to be commercialized. Thus, from a standp_int of resource commitment the current approach is reasonable.

Regarding environmental and safety protection, I believe that DOE, without external review, can provide for adequate safety of these facilities.

The Office of Environment, Safety, and Health has established comprehensive policies and procedures governing these facilities and performs independent appraisals directed toward assuring their safe operation. Given this capability and the attendant inefficiencies of NRC review of a series of often one-of-a-kind facilities, I do not believe it appropriate.

QUESTION FROM SENATOR JOHNSTON

NRC Regulatory Authority

Question: Are there DOE activities not now covered by NRC regulation that you believe could or should be so covered? If so, please discuss your views.

Answer: While I have not had the opportunity to become fully familiar with these issues, I am not aware of any DOE activities that are not now covered by NRC that should be.

QUESTION FROM SENATOR JOHNSTON

Job Definition

Question: What are your main goals in this job?

Answer: My main goals in this position will be to assure that all applicable environmental and safety laws, regulations and requirements are met; to encourage line management to set a "standard of excellence" in environmental and safety matters; to assure the cleanup of the environmental "legacy of the past" (primarily hazardous waste sites); and to put in place procedures that will assure that the Department's operations are, and continue to be, safe and environmentally sound.

QUESTION FROM SENATOR JOHNSTON

Biggest Problems

Question: What DOE facilities -- other than those already discussed -- present serious problems for you in terms of reducing environmental risk? For example what are the main problems at Savannah River? At Oak Ridge? At Hanford? At Idaho Falls? At West Valley? For each facility, explain what these problems are and what efforts are under way to mitigate them.

For each facility, indicate the estimated cost of mitigation and show how these costs will be divided among DOE, the State involved, and private industry.

Answer: While I have not had an opportunity to be fully briefed on these sites nor have I visited them, my general understanding of the situation at DOE is that the environmental problems that are surfacing are, as Secretary Herrington has stated, at his September 18, 1985, press conference, "... for the most part, legacies from the past, from activities conducted in a different atmosphere and under different standards than today's."

In that context, I believe that perhaps the most serious problems facing DOE are those created by the past disposal of waste material. For example, there is contamination of soil, groundwater, and surface water at Oak Ridge that was caused by past waste disposal practices. Similarly, at Savannah River there is groundwater contamination from past practices. At Hanford, there are potential soil

contamination problems related to inactive waste areas that have not yet been characterized. At Idaho, there is groundwater contamination from the past use of an underground injection well. (With respect to West Valley, my understanding is that this is not a DOE site but that Congress assigned DOE the responsibilty for the management and disposal of radioactive waste at the site, with the State of New York responsible for 10 percent of the costs).

Although there are mitigation efforts underway at all DOE sites to correct environmental problems, I do not have detailed site-by-site information on specific mitigation measures nor associated costs. However, I believe it is likely that, as DOE progresses with its efforts to solve the legacy of problems, the mitigation costs may exceed several billion dollars.

QUESTION FROM SENATOR JOHNSTON

The Environmental Survey

Question: According to the Department's news release of September 18 you will be conducting a baseline survey of all DOE facilities to identify areas of existing environmental risk. The survey is a good idea, but wouldn't you get better results if the survey team included independent personnel instead of just DOE employees?

Answer: The survey teams will include non-DOE personnel under contract to the Office of Environment, Safety and Health. The contractor members will be experienced professionals and will be selected for their expertise in particular scientific disciplines (air, water, soil).

QUESTION FROM SENATOR JOHNSTON

The Environmental Survey

Question: For example, how will the states be involved in this survey? the Environmental Protection Agency? The Nuclear Regulatory Commission? The environmental community?

Answer: The Survey is an inventory of existing environmental problems and an identification of potential areas of risk at all DOE facilities. The results of the Survey will support DOE management's efforts on a national level to prioritize its efforts to resolve any environmental problems and to minimize environmental risks associated with DOE's operations. While other agencies and organizations will not be involved as such, DOE will attempt to insure that their concerns as to the existence of environmental problems are taken into account in planning for the Survey. The Survey teams will make extensive use of existing reports, studies, regulatory notices, and similar information. In addition, meetings with state and federal environmental authorities will be held in some instances to receive their views. The Secretary has already indicated his willingness to receive the views of the environmental community through a continuing dialogue that he has initiated. If confirmed, it would be my intention to support and continue this effort.

QUESTION FROM SENATOR JOHNSTON

The Environmental Survey

Question: What will happen to ongoing efforts at reducing environmental risk during the two-year period that this survey is being conducted?

How long can these ongoing efforts be continued relying primarily on reprogrammed funds?

Answer: The Secretary has indicated that ongoing environmental projects and corrective actions will be continued. The Survey is supplemental to those efforts and not intended to delay or displace them. Again, as indicated above, the Survey will enable the Department to develop, on a uniform basis, comprehensive, long-range planning in order to correct any remaining problems and, on a long term basis, reduce environmental risks.

QUESTION FROM SENATOR JOHNSTON

The Environmental Survey

Question: On October 1, 1985, Assistant Secretary Martha Hesse wrote to this Committee about $21.3 million in funds from Energy Research, Fossil Energy, Nuclear Energy and Defense Programs that would be spent on the restructured program announced by Secretary Herrington on September 18. Will this money be spent on paper studies or actual cleanup?

Answer: It is my understanding that the funding provided to ES&H will be used to cover costs associated with the Secretary's new initiatives to strengthen DOE's environmental, safety and health program. Most of the funding is required for the Environmental Survey. The Environmental Survey is a comprehensive, in-depth inspection of the environmental conditions of all DOE facilities. Unlike "paper studies," it involves on-site inspections coupled with a major sampling and analysis component that will provide physical evidence upon which the Department can base its priorities and move forward to develop plans for correcting remaining environmental problems.

I understand that the funding will also cover costs for ES&H support programs such as the development of DOE-wide field reporting and a Computer Assisted Tracking System. This system will be used to manage

and access the large information base for purposes of determining and monitoring the environmental and safety compliance status of DOE's operating facilities, establishing priorities among compliance needs DOE-wide, developing a long-range plan for correcting problems, monitoring progress in implementing corrective measures, and fulfilling Congressionally mandated requirements.

QUESTIONS FROM SENATOR JOHNSTON

Safety Appraisals

Question: The September 18 Department release also speaks of a multidisciplinary appraisal of DOE's major nuclear facilities to determine compliance with safety requirements.

Again, what will be the role, if any, of independent entities in this appraisal? The EPA? The NRC? The unions? The environmentalists?

Answer: The Technical Safety Appraisals provide an independent "hands on" review of safety at DOE's nuclear facilities, including such areas as reactor safety, process facility safety, criticality safety, health physics, emergency preparedness, quality assurance, operator training, maintenance, industrial hygiene, occupational safety, fire protection, and transportation and packaging safety. Such multi-disciplinary oversight appraisals of our industrial and program practices have been conducted routinely over the years. Any related environmental conditions are addressed by the Environmental Survey.

The leaders for the teams conducting these appraisals will be DOE ES&H staff. The team members will be contractor personnel, professionals in their fields, selected for their experience and expertise.

While other agencies and organizations are not be involved in the conduct of these appraisals, DOE will consider comparable NRC experience, and union and other organizations' concerns in planning and implementing this program.

QUESTION FROM SENATOR BUMPERS

Plans for Environment, Health and Safety Division:

Question: What are the major programs that you would supervise as Assistant Secretary?

Answer: As Assistant Secretary for Environment, Safety and Health, I would supervise environmental policy and analysis, environmental guidance and standards, NEPA compliance, environmental and safety audits and appraisals, DOE facility environmental and safety compliance, quality assurance, and nuclear safety and operational safety, including radiological controls.

QUESTION FROM SENATOR BUMPERS

Plans for Environment, Health and Safety Division:

Question: What are your plans and priorities for these programs?

Answer: As yet, I am not sufficiently acquainted with the Department's programs and all ES&H-related functions in order to respond to this question. Based upon my review of the environment and safety functions to date, and my analysis in connection with the consulting tasks assigned to me by the Secretary, my priorities for ES&H would be to assure that all applicable environmental and safety laws, regulations and requirements are met, to encourage line management to set a "standard of excellence" in environmental and safety matters, to assure necessary cleanup activities (primarily hazardous waste sites), and to put in place procedures that will assure that the Department's operations are, and continue to be, safe and environmentally sound.

QUESTION FROM SENATOR BUMPERS

Acid Rain

Question: Recently, acid rain was reported to have reached the State of Arkansas. I understand that the Biological and environmental research program addresses acid rain in its research program. Please describe this research effort, its funding level, and its relationship to other Federal research programs on acid rain.

Answer: It is my understanding that the FY 1986 budget under the National Acid Precipitation Assessment Program (NAPAP) is $65 million; $8.7 million of this is the DOE NAPAP budget. NAPAP, established by Congress in 1980 as a 10-year Federal interagency research effort, provides the focus for coordinating the acid rain research of 12 Federal agencies and 4 national laboratories. The Department's Office of Energy Research budget of over $7.1 million for biological and environmental research includes research on atmospheric processes, deposition monitoring, and aquatic and terrestrial effects. The remainder of the acid rain budget is for analysis and assessment, with $800,000 for Environment, Safety and Health, and a similar amount to our Office of Fossil Energy.

The assessment research program within Environment, Safety and Health, which is a small part of the Federal interagency effort coordinated by NAPAP, is designed to deal quantitatively with the range of uncertainties in data to ensure that the National Program can produce information relevant to decision-making.